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# ***Daily Report***

# **Latin America**

FBIS-LAT-89-023  
Monday  
6 February 1989

# Daily Report Latin America

FBIS-LAT-89-023

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6 February 1989

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**Arias Asks Castro, Quayle To Save Esquipulas II**  
*PA0402035389 Madrid EFE in Spanish 0202 GMT  
4 Feb 89*

[Text] Caracas, 3 Feb (EFE)—Costa Rican President Oscar Arias today asked his Cuban counterpart, Fidel Castro, and U.S. Vice President Dan Quayle to help save the Esquipulas II peace plan.

At a news conference, Arias—who was attending the inauguration of new Venezuelan President Carlos Andres Perez—discussed the meetings he held with both politicians on Thursday, when they discussed the Central American situation.

In his meeting with Quayle, Arias—who said he expects a new attitude toward Latin America from the new U.S. Administration—asked the U.S. vice president to give Central American diplomacy a “chance” and allow the isthmus to comply with the Esquipulas II peace plan, which was signed by the presidents of the region in August 1987.

Arias said that the main obstacle to the peace plan has been Cuba’s “insincerity,” because, on the one hand it approves the plan yet, on the other, it gives logistical and military support to Salvadoran guerrillas.

According to Arias, the U.S. Government also supports the plan but, at the same time, asks Congress for more dollars to support the Nicaraguan “contras.” He admitted, however, that these requests have not been made recently.

Arias reminded Castro of his “influence” over the Salvadoran guerrillas, but the Cuban president replied that he is always overestimated and that the Salvadoran guerrilla movement is “independent,” and listens to no one.

Arias said that if Castro asked the Salvadoran rebels to lay down their arms and participate in the electoral process, they would do so.

He emphasized that all countries in Central America have to do their “share” and be “more sincere, consistent, and realistic, and less cynical.”

Arias said that on Thursday, he held another joint meeting with Venezuelan President Carlos Andres Perez, Cuban President Fidel Castro, Peruvian President Alan Garcia, and Nicaraguan President Daniel Ortega, but he stressed that “nothing was agreed on at that meeting.” However, he admitted that they discussed the will of the five Central American presidents to comply with the Esquipulas II agreements.

He also met with Ortega, separately, but, according to Arias, no agreement was reached, they simply discussed Central America, in particular, and Latin America, in general.

The Costa Rican president said that the meeting of Central American presidents, which has been postponed several times, will be held in El Salvador on 13 and 14 February. He added that the five leaders are aware of their great “responsibility” to reach an agreement.

He stressed that the meeting of Central American foreign ministers in Caracas on Thursday reached an agreement on a system to supervise the security of their borders, with the support of the United Nations, and an agenda for the presidents’ meeting in El Salvador.

**Group of Eight Issues Communique in Caracas**  
*PA0502163889 Caracas Venezolana de Television  
Canal 8 in Spanish 1558 GMT 3 Feb 89*

[“Text” of Group of Eight communique issued in Caracas on 3 February; read by Reinaldo Figueredo Planchart, Venezuelan secretary of the Presidency—live]

[Text] In a meeting held in Caracas on the occasion of Venezuelan President Carlos Andres Perez’ inauguration, the members of the Group of Eight—including the presidents of Brazil, Colombia, Peru, and Uruguay, as well as Argentina’s foreign relations minister and Mexico’s foreign affairs secretary—expressed their deep satisfaction over Venezuela’s new expression of democratic consolidation and strength. The group also expressed its trust in Venezuela’s efforts for economic and social development.

The Group of Eight examined international and regional issues of common interest. Special attention was paid to finding ways to finance development and to solve the foreign debt. In this regard, the group approved the agreement reached by its finance ministers during their 12 December 1988 meeting in Rio de Janeiro.

The group also discussed other priority issues requiring immediate attention to continue the progress made in the Acapulco and Punta del Este meetings. The discussion of these issues was especially important in view of the group’s upcoming presidents’ meeting, which will be held in Peru.

The Group of Eight’s members reiterated that it would be advisable for our countries to hold talks and meetings with the EEC countries and with countries in other parts of the world to discuss our political, economic, and social problems, especially those concerning development and the foreign debt. Along these lines, the group reiterated its willingness to establish a dialogue with the United States to promote a climate of trust and understanding in the hemisphere, which would widen opportunities for broader and fairer cooperation.

The group stressed the importance of regional efforts toward cooperation, integration, and reconciliation. It also pointed to its need to strengthen ties with the SELA member states and with regional integration organizations that are aware of the Latin American countries’

need to face their difficulties—especially in trade and international finance—through a joint action based on solidarity. The group thus reaffirms its interest and willingness to cooperate closely in the global discussion and approval of the topics being considered in the GATT talks in Uruguay.

The Group of Eight welcomed the Central American presidents' decision to hold their third summit. It urged the Central American governments to overcome the

obstacles that have prevented this summit from taking place and to seek specific solutions to reactivate the Esquipulas II peace process.

The group also agreed to hold its next ministers' meeting in Venezuela in March. The presidents, the Argentine minister of foreign relations, and the Mexican foreign affairs secretary thanked the Venezuelan people and Government for their hospitality during their stay in this country.

Caracas, 3 February 1989

## Cuba

### Further on Castro's Visit, Meetings in Caracas

#### Meets With Regional Leaders

FL0302214589 Havana Radio Reloj Network  
in Spanish 2032 GMT 3 Feb 89

[Text] The chiefs of state of Nicaragua, Venezuela, Peru, Costa Rica, and Cuba met in Caracas until dawn today in search of peaceful solutions for the Central American region. Nicaraguan President Daniel Ortega said in a news conference that a very fruitful dialogue took place during the meeting with his counterparts Fidel Castro, Carlos Andres Perez, Alan Garcia, and Oscar Arias and that many ideas for peaceful solutions were brought up.

Ortega also confirmed that he handed to Honduran President Jose Azcona Hoyo a plan with measures enabling Nicaraguan contras to incorporate themselves into national life with guaranteed jobs after their defeat. The Nicaraguan president said the meeting of several heads of states in Caracas turned into an event with Bolivarian and Latin American spirit.

#### Comments on Paraguay Situation

FL0402024089 Havana Radio Rebelde Network  
in Spanish 0003 GMT 4 Feb 89

[Text] President Fidel Castro paid homage today to Simon Bolivar, admired and unforgettable hero of our America, in front of the sarcophagus containing Bolivar's remains at the National Cemetery in Caracas. After placing a floral wreath, he wrote in the book for distinguished guests: To the admired and noble hero of our America who inspired Marti and all the combatants who fought to obtain Cuba's freedom so much. He added: Bolivar, whose ideals of union and integration of the peoples of Latin America and the Caribbean are today more than ever the sacred duty of today's generations, was, is, and will be everyone's inspiration.

After the simple but emotional ceremony, Cuban leader Fidel Castro was approached by Venezuelan reporters as he was leaving the cemetery. They asked about his impressions of the coup against Alfredo Stroessner. Fidel Castro noted that he did not have details of what happened, so all he could say was that he hoped the situation in Paraguay improves and that a democratic opening takes place.

Friends, Cuban President Fidel Castro is today the foreign figure most covered by Venezuelan reporters who, for the most part, expressed themselves in an enthusiastic way. Since his arrival yesterday, Fidel's picture has appeared constantly on the five television channels and mentioning his name has been a must for the stations reporting the transfer of power to Carlos Andres Perez. Even the media that carried systematic attacks prior to the Cuban leader's visit gave extensive coverage in a respectful way. They were joined by the

morning newspapers. EL DIARIO DE CARACAS and EL NACIONAL devoted numerous pages to the interview granted by the Cuban leader to Venezuelan reporters in the last few hours.

Also, the meeting between Cuban and Brazilian Presidents Fidel Castro and Jose Sarney in Caracas is the most important international news highlighted by the Brazilian press.

#### To Grant News Conference

FL0402124989 Havana Radio Progreso Network  
in Spanish 1200 GMT 4 Feb 89

[Text] At dawn today Commander in Chief Fidel Castro concluded several meetings with impresarios and leaders of Venezuela's opposition parties.

The series of meetings began yesterday afternoon when Fidel met with a group of important Venezuelan businessmen and cattlemen. The talks were about several aspects of the Cuban sugar and cattle industries.

Afterwards, Fidel met with leaders of several left-wing political parties. In this meeting they talked mainly about the Latin American foreign debt and the need for a new international economic order. The Cuban president said that the problem of the debt, which everyone already recognizes as unpayable, should be faced in unison by the countries that owe money.

After midnight, Fidel held a private meeting with Eduardo Fernandez, general secretary of the Christian Social Party—COPEI—and presidential candidate. Fernandez was accompanied by Hilarion Cardozo, vice president of the Venezuelan Senate and general secretary of the Continental Christian Democrat Organization.

This last meeting ended at this morning at 0200. Afterward, Fidel agreed to receive a Dominican television news team, to which he granted an interview.

Tonight the Cuban president will take part in a news conference which the Venezuelan media has classified as the main course. [as heard] The conference Fidel will grant has inspired, besides great expectations, many reporters to solicit accreditations. One report quotes a veteran journalist as saying: For 30 years I have been waiting and dreaming of taking part in a news conference with Fidel Castro.

The list of reporters' names, being handled by a Cuban official, had over 250 names of Venezuelan and other journalists. An announcer for a private television station said that Caracas was paralyzed yesterday afternoon when an interview with Fidel was broadcast.



**Caracas Trip Highlights Noted**  
*FL0402153689 Havana Tele-Rebelde Network  
in Spanish 1420 GMT 4 Feb 89*

[Excerpt] [Passage omitted] Attention is focused on Fidel's presence in this country. Of course, everyone's point of view is in accordance with their interests. Since his arrival—in fact, since even before—the newspapers have carried on their front pages and noted sections photographs, commentaries, and highlights of the numerous activities of the supreme leader of the Cuban Revolution.

[Castro] The Salvadorans have made a very interesting peace proposal and laid it on the table. The plan even received, in part, a positive comment from the U.S. State Department, after the new administration. I think this is very positive.

Daniel [Nicaraguan President Daniel Ortega] and the Nicaraguans have also taken a series of initiatives in this respect, Arias is doing a lot, and almost everyone is working. I think that in these meetings they have worked to move in that direction.

If it is true that the attitude of the new U.S. Administration is more pragmatic, less ideological, and that they may be inclined to find political solutions and not military ones, I think the groundwork necessary to seriously work in that direction is possible. The elements must be discussed and analyzed—let's say all the elements for a political solution to that problem. However, in my judgment these conditions are happening. I think there is hope. [end recording]

[Begin recording] [Unidentified reporter] [Words indistinct].

[Castro] Well, it comes first. If you go from here, the first country you run into on the peninsula is Portugal. [Castro laughs] It depends on the talks between Felipe [Felipe Gonzalez of Spain] and President Soares. First, they have to invite me and say that they'll wait for me there. Then, in geographical order, first I'll go to Portugal and then Spain. If by some chance I'm coming from Europe, then I'll go to Spain first and Portugal second.

[Reporter] Thank you very much.

[Castro] Thank you and it has been a great pleasure. [end recording]

The television stations are moving at a dynamic pace to keep up and get a few words from Fidel. Even in the worst case they use his presence anywhere to immediately present it as an exclusive. The truth is that the Cuban leader's image, whether it is in the day or evening, is constantly seen on the television screens or on the first page of the newspapers.

[Begin recording] [Unidentified reporter] What can you say regarding a plebiscite in Cuba?

[Castro] All of that surged at the time of the 30th anniversary of the revolution. First, we would have to see who the people who signed that plebiscite letter are. Some of them are well known to us, as in Valladares' case. He is a guy who was one of Batista's policemen, a terrorist, an absolute liar. Later he was—as one of those absurd things the United States does—designated as U.S. delegate to the UN Human Rights Committee.

There's a list of known people to us on that letter. Some of them are prestigious and, frankly, I don't know how they were convinced or tricked into signing it. Others on the list are hard-core reactionaries, enemies of any progress, of all worthy attitudes. They are people who are in favor of the empire. To put it simply, they are in favor of the empire. None of the people who signed the letter say anything about putting an end to the blockade on Cuba, not a single word about putting an end to the blockade on Cuba. This is an unmerciful blockade which has even prohibited the sale of medicine and medical equipment for the last 30 years. They don't ask for an end to the dirty war in Nicaragua, they don't ask for an end to apartheid in Africa, they don't ask for an end to unequal trade—the systematic looting of which our countries are constant victims—they don't ask for the abolishment of the foreign debt, and they don't ask for the end of any type of domination. Now they ask for a plebiscite as if the situation in Cuba were the situation in Chile.

In Cuba the people's revolution has triumphed, has stayed with the people, and has had the historic prowess to resist the United States for 30 years with a firmness unprecedented in history. We have been defenders of our people, our national identity, we've had the courage to face the empire for 30 years as a result of a victorious revolution.

I think it has been one of the cleanest revolutions. I would dare to say that it has been one of the cleanest revolutions in history. All types of false accusations have been made against the revolution, false accusations of the lowest kind. The masterminds of this know it's a lie. In our country people haven't disappeared in the 30 years of revolution; there hasn't been a single person tortured. When these people have had the vileness to speak of torture it's because they try to spread the most infamous lie against the revolution. This doesn't offend the Cuban Government, it offends the Cuban people. The Cuban people have been educated in doctrine and principles since the time of the war, the time of our war. Those who are familiar with our war know how many prisoners we had, we had thousands of prisoners, and they know that not a single prisoner was ever beaten. We drafted laws, and in keeping with those laws the prisoners who committed war crimes and tortures were sanctioned. A conscience was formed; the ethics of our revolution is based on a national conscience. To say that

these things could happen in our country is an insult to our people, because our people wouldn't support a revolution that would do this. [end recording]

I can assure you that everyone here, especially the press, is waiting for the announced news conference by our commander in chief. The desire to participate in what is considered one of the most important events during this time has forced attendance to be limited to some 200 national and foreign journalists. To give you an idea, some Venezuelan stations have been announcing this activity since last night. As this goes on, Fidel continues to have bilateral meetings with other heads of state and various personalities who were invited to the inauguration ceremony

[Begin recording] [Unidentified reporter] At this moment, the president of Cuba is walking toward the coffin containing the remains of Simon Bolivar to place a floral wreath at its base.

[Castro] To the admired and unforgotten hero of our America who gave so much inspiration to Marti and all the combatants for Cuba's freedom, Bolivar. A man whose ideals of unity and the integration of all Latin American and Caribbean nations are today, more than ever, the sacred duty of the new generations, and was yesterday, is, and always will be an inspiration to all. [end recording]

According to the agenda, early this morning a meeting was held by the leaders of the Group of Eight who are present. Among other things, they were supposed to ratify the recent Rio de Janeiro agreements signed by the economy ministers of the member countries. Early in the afternoon, in the home of Venezuelan President Carlos Andres Perez, a meeting of all the Latin American leaders present in Caracas was held.

#### Comments on Central America

PA0502050389 Caracas Venezolana de Television  
Canal 8 in Spanish 0323 GMT 5 Feb 89

[Text] During a news conference held today, Cuban leader Fidel Castro said that it is possible to arrange talks to find a solution to Central American problems. He was replying to a question by our colleague Alexis Rosas.

[Begin Castro recording] I think the United States, as much as Latin America, needs that dialogue. The United States, as much as Latin America, needs to cooperate to find a solution to this crisis. I think everybody needs it, because if developments continue as they are, there is no telling where they will lead. It may be...[changes thought] I said this is a subversive or destabilizing factor. I think if they—the United States and Latin America—behave logically, they must initiate that dialogue. In addition, there have been reports, rumors, and talk about that.

I have the impression—which is not the same as just being optimistic, as I am neither optimistic nor pessimistic on this matter—I have the impression [repeats himself] the U.S. Government, with its current administration, is much more aware of the seriousness of the problem. Therefore, this increases the possibility of talks. There are reports to that effect from different sources. That was your second question. What was the third?

[Rosas] The question was about...

[Castro, interrupting] I cannot read my own writing here.

[Rosas] It was about expectations for the San Salvador meeting on 13 and 14 February regarding the Central American problem.

[Castro] I can honestly tell you that in this respect I am relatively optimistic. [laughter] I say that because of the impressions I got from the meetings [not further specified]. In fact, I participated in some of them. Carlos Andres Perez held a meeting with the the Central American leaders. Alan Garcia was there, and I was invited to participate. I talked to Daniel Ortega. The next day there was another meeting, but I was unable to attend because I had commitments with many people here. I asked Comrade Carlos Rafael Rodriguez to attend the meeting on behalf of our delegation. He got a good impression too. I know the Sandinists are really willing to find solutions—solutions that are not easy. However, I know they are determined to work toward that goal. At one stage, it was not known if there was going to be a summit or not. Carlos Andres Perez and Oscar Arias—practically all the presidents—were concerned the meeting would not yield results. They wanted to ensure results. I know they have made progress. If the meeting is held—there are still a few days left to go—it would be a good sign, because the presidents were acting on the premise it should not be held unless there were going to be results. These elements of good judgement and, especially, the willingness, flexibility, and commitment of the Sandinists make me relatively optimistic about the possibilities of success. [end recording]

#### News Conference Summarized

PA0502162189 Havana International Service  
in Spanish 1405 GMT 5 Feb 89

[Text] Cuba's presence at SELA in Quito and this time in Venezuela makes it clear that the Cuban Revolution wants to join the Latin American community, Cuban President Fidel Castro said in Caracas yesterday.

At a news conference in the Venezuelan capital, Castro said that right now there is no objection to Venezuela joining the Nonaligned Movement. Regarding the foreign debt, Fidel said that so far the industrialized countries have provided no specific proposal on the problem. Nevertheless, he added, it is evident that the West is developing a greater awareness of the crisis and is more concerned about its possible repercussions.

I believe, Fidel Castro asserted, that the Latin American countries should join forces to face the debt and adopt a firm position, because begging leads nowhere.

When asked about the new U.S. policy for Latin America, the Cuban president said he is moderately optimistic. He added that he is under the impression that the U.S. Government will agree to a dialogue with Latin America because both sides need that dialogue.

Regarding the upcoming Central American summit in El Salvador, the Cuban leader said he expects results from that meeting because, as he said, some Central American governments have demonstrated that they want to reach a negotiated solution to the conflict.

Responding to a question during the Caracas news conference, the Cuban president described the Salvadoran guerrillas' latest proposal to the Duarte government as positive. He said the guerrilla initiative could begin an irreversible process leading to peace in El Salvador.

Questioned about the new Palestinian state, Fidel Castro said that the creation of this new state is a positive step and that already more than 100 countries have supported it. He noted that the Palestinian cause has received much solidarity because the Palestinian people's struggle against the Israeli occupation is a just one.

During the news conference, Fidel Castro also spoke about the irreversible status of the Cuban Revolution. The revolution, he said, is a process that develops as time goes by; it is a perpetual process of change, Castro added, and this is why it will last 100, 500, or even 1,000 years.

Regarding Latin American unity, Fidel Castro said the presence in Caracas of various heads of state and government represents an important step toward regional integration. He said that during his talks he discussed the debt problem, establishing a new international economic order, and creating the unity without which the political and economic survival of our nations would be impossible.

#### Government-Church Ties Viewed

PA0602043489 Madrid EFE in Spanish 0417 GMT  
6 Feb 89

[Text] Caracas, 5 Feb (EFE)—Cuban President Fidel Castro said today in Caracas that there are paths open to cooperation among the government, PCC, and Catholic Church, but admitted mutual apprehension still lingers.

Castro, who traveled to Venezuela to attend Carlos Andres Perez' inaugural, talked about his government's relations with the Church during a meeting with about 200 representatives of diverse religious persuasions.

The Cuban president recalled that in the public health area there is significant cooperation with religious institutions through the work of a large number of nuns who deal with new diseases.

Castro pointed out that Cuban society faces serious family problems, including a high rate of divorces and abortions, that call for ethical education, a task in which the Church could play an important role.

The Cuban leader said that according to studies, the increase in juvenile delinquency, teenage pregnancy, and failed marriages stems mostly from a lack of solid family background.

In this regard, Castro admitted the ethical presence of religion could be channelled toward those problems to stop or reduce the number of family deviations and negative social consequences they bring about.

Regarding the incorporation of religion in educational programs, the Cuban president pointed out that he sees no unsurmountable obstacles preventing the study of certain religious subjects in schools in the not-too-distant future.

He also said limited opportunities currently available to Catholics to participate in Cuban politics will be expanded; in fact, even the possibility of the PCC eliminating restrictions on Catholics' incorporation is under study.

Castro said this stand toward the Catholic Church is not new because the Cuban Revolution, as opposed to previous ones, has never been antireligious, although it had clashed against a small hierarchical nucleus in the beginning.

He recalled that prerevolution Cuban society was already very impermeable to religion, which found its main supporters among the middle and upper classes.

Castro also pointed out the need to break away once and for all from the fad of associating revolution with atheism, because revolutions such as Cuba's are not necessarily atheistic.

#### Roa Kouri on Need for Middle East Meeting

FL0202234589 Havana Radio Reloj Network  
in Spanish 2235 GMT 2 Feb 89

[Text] During today's UN Human Rights Commission meeting, representatives from over 30 countries condemned Israel's human rights violations in the Arab occupied territories. Member countries of the commission, observers, and dozens of nongovernmental organizations agreed that an international peace conference on the Middle East urgently needs to be held with the participation of the interested parties, especially the Palestinian state and Israel.



The proposal was stressed by Raul Roa Kouri, representative of Cuba to the commission, and the heads of delegations from Peru, Argentina, Brazil, and Nicaragua, who spoke during today's session. The Cuban representative termed the Palestinian popular uprising (unprecedented) and noted that, despite the progress made in the last few months, the situation in the occupied territories has worsened instead of improved.

**Palestinian Embassy Opens in Havana 3 Feb**  
FL0302222989 Havana Radio Reloj Network  
in Spanish 2050 GMT 3 Feb 89

[Text] The first embassy of the Palestinian State was inaugurated in our capital today, Friday, with the attendance of Ahmad Abu 'Ala, economic adviser of the PLO presidency, and Osama Cienfuegos, member of the PCC Politburo. The plaque of the previous PLO mission was changed by the embassy.

Abu 'Ala expressed on behalf of Yasir 'Arafat his gratitude to the party, government, and especially Commander in Chief Fidel Castro for the unconditional support his people have received during all these years. He added that this event is evidence and expression of the solidarity they never lacked. He noted that the rebellion of the Palestinian revolutionaries, the Intifada, will continue until they break the occupation forces and establish a free Palestinian State in Jerusalem.

**AIDS Fears Reportedly Hamper Troop Return**  
PM0302124289 London DAILY EXPRESS in English  
3 Feb 89 p 10

[Jim Witcher dispatch: "Castro's AIDS Shocker"]

[Text] Paris—Cuban leader Fidel Castro is refusing to repatriate 24,000 of his troops from Angola because they have AIDS, it was claimed yesterday.

Professor Bernard Debre, a French MP who is an acknowledged AIDS expert, said in Paris that 60 per cent of the Cuban expeditionary force in Angola had the fatal disease.

"Castro does not want to take them back," said the expert. "It is a huge problem."

The Cuban leader is committed to withdrawing all his troops from Southern Africa in exchange for a South African withdrawal from Namibia. But diplomats in Paris who monitor Africa said the Cubans have kept delaying the repatriation.

The professor made the claim in a shock interview in which he said AIDS threatened whole countries in Africa, was ravaging New York and could soon worsen in Europe.

He told PARIS-MATCH magazine that between 30 and 40 per cent of the Zairean and Burundi population were afflicted by AIDS.

**Construction Contingents To Work in Nicaragua**  
FL0302032589 Havana Television Service in Spanish  
0100 GMT 3 Feb 89

[Text] The first group of the Jose Marti internationalist minibrigade contingent has begun the earthwork in Bluefields and has promised to complete the first homes by July.

The majority of the collective in Havana continues to prepare to leave for Nicaragua and fulfill its first goal to mark the anniversary of the triumph of the Sandinist revolution. They will build 1,000 houses in 2 years for the victims of Hurricane Joan. The temporary installations have already been built and work is being carried out to guarantee the needs of men.

[Begin recording] [First unidentified speaker] We have also created conditions with the communications comrades to maintain a direct line of communication between the minibrigade members and their relatives, and we are creating an adequate recreation and work atmosphere so that the needs of men are met in line with our revolution's policy.

[Second speaker] We are going to work in Nicaragua with the spirit of minibrigades and the organization and efficiency of contingents. We are going to have 2 12-hour shifts and work very hard. We are going to take advantage of the weather conditions in Nicaragua. Above all, we are going to work with quality and efficiency on all the projects we have to work on in this territory. [end recording]

**Dominican Republic**

**Posters Backing Reelection of Balaguer Noted**  
FL0302163389 Santo Domingo Tele-Radio Noticias  
Television and Radio Network in Spanish 0927 GMT 3 Feb 89

[Text] Several posters alluding to the reelection of President Joaquin Balaguer were put up in the Agriculture Secretariat and in other state institutions promoting the reelection of the leader. During the past few months, the election campaign headed by high-level reformist [Reformist Socialist Christian Party] officials has gathered strength.

**Haiti**

**Reaction to Government Memorandum Reported**  
FL0202152089 Port-au-Prince Radio Soleil Network  
in Creole 1200 GMT 1 Feb 89

[Excerpts] Reaction [to the Information Ministry memorandum] began immediately yesterday, the day this report got out on the streets.



Dr Gilles Hendrick of the Charlemagne Peralte National Liberation Front [FCPLN] said he considered Minister Saint-Pierre's recommendations a fascist act and that it was the government's duty to punish the minister's conduct. Mr Hendrick also denied his organization's participation in the plot against the Avril government that was reportedly being prepared.

[Begin recording] [Hendrick] [Passage omitted] The FCPLN has for a long time not participated in anything at all with KONAKOM [National Committee of the Congress of Democratic Movements] [as heard], PUCH [Unified Party of Haitian Communists], [name indistinct], or any other organization. The FCPLN is in the Liaison [Committee] of the Democratic Forces [headed by Daniel Narcisse], and everyone knows the position of the Liaison of the Democratic Forces. [passage omitted]

On the other hand, what does worry me is to hear the minister of information talk about measures that need to be taken to counter movements that (?exist only) in his imagination. First of all, I think there are many figures on the political scene at present who are responsible people. Precisely, we of the Liaison of the Democratic Forces and of the FCPLN are responsible people—people who know exactly where we want to take Haiti. Thus, we are not going to get involved in just any old adventure.

[Reporter] And what do you think of these measures, Dr Hendrick?

[Hendrick] That is precisely what is disquieting, because the measures which the information minister speaks about, which he is asking the government to take, are extremely fascist. [passage omitted] They are highly fascist measures that can do much more harm to the Avril government than can this movement, which the information minister claims is (preparing to get the) central plateau (?to) revolt.

I am from the central plateau and I know it well; as far as the Liaison Committee of the Democratic Forces and the FCPLN know, no such movement exists. [passage omitted] [end recording]

This document is a Machiavellian document which announces the beginning of a fascist epoch, declared Haitian Christian Democratic Party [PDCH] Sylvio Claude. Mr Claude also once again demanded the resignation of the Avril government. Sylvio Claude demands that Minister Saint-Pierre resign.

[Begin recording] [Claude] This document is a Machiavellian document that announces the establishment of a fascist government. [passage omitted] Now, in the face of a situation like this—and I think all those implicated will listen—now, I think, those who had little reservations against attacking Avril, to make him go away, well, I think now they can feel what kind of a problem they are in. [passage omitted] Destabilize the government? A

government that is only supposed to be in power for a few months, not even a year, which has to hand over power? What's this business of destabilizing such a government? Where did they get that word? First of all, Avril should get busy and organize elections—if they are possible, if he had already arrested all the macoutes and so forth—so that he could hand over power. But apparently that is not what he is thinking about. He apparently wants to remain in power...

[Reporter, interrupting] Reverend Claude, based on this document, do you think the information minister's opinion carries a lot of weight in the government's decisions?

[Claude] To me the document looks more like flattery. [passage omitted] Because in principle, a document like that shouldn't even have gotten out into the streets. It should have been secret. [passage omitted] This is serious. This is fascist. This is bizarre. Frankly, I think that if the government wanted to accomplish anything serious, it should fire this guy this very day.

[Reporter] Do you mean that if this document is out, this means that there are people inside the ministry who disagree with it?

[Claude] There are people who don't agree with it. No one serious could agree with this. The fact that this document got out into the streets is proof that the minister is having problems. And the government too has problems—because the government already knew about it, and should have fired the minister instantly. This is just like the Radio Antilles thing. The government knows (Lucien Adan) did something that was not right. It should have fired him immediately. It did not. This means that it is the government that did it. [passage omitted] The whole country should rise up and send Avril away, inevitably. [preceding word as heard] [passage omitted] [end recording]

Max Bourjolly, a member of the PUCH Central Committee, accuses the information minister of plotting against the internal security of Haiti and against the government and everyone fighting for democracy. Bourjolly says that the PUCH has chosen the path of peaceful, political struggle—without, however, asking the people to demobilize. Bourjolly also says the minister's position is shameful. Bourjolly says he is ready to participate in a public debate over government television on the information minister's report. He also demands that the minister resign.

[Begin recording] [Bourjolly] We heard with astonishment the contents of a report Mr Saint-Pierre, the minister of information and coordination, sent Gen Prosper Avril, the president of the military government. Besides the fact that it again takes up the themes that everyone knows constituted the foundations of the pro-black [noiriste] government, Francois Duvalier's government... [rephrases] I mean, this business of blacks versus mulattos—for he returns to this business of mulatto to

label [kalifye] someone with. Thus, in addition to taking this matter up again, he comes up with an entire series of proposals that remind us of the proposals Francois Duvalier was giving back when Duvalier set up his repressive machine—that is, proposals that an SD [political police, further expansion not given] be set up again in Haiti and given responsibility for spying on people and planning assassinations and disappearances of our fellow Haitians. I mean, these are proposals that have no objective other than to again plunge the country into the night of the pure, hard-line, macoute government that the Haitian people rose up against after it sowed so much horror among Haitian families.

We also realize that there are many—how can I put it?—whimsical ideas in that letter: a PUCH-PCD [Dominican Communist Party] agreement to take action against the nation's border towns; an alleged plot by the PUCH, together with other sectors, with a view to sowing disorder in Haiti; a PUCH alliance with a number of other sectors to lead even to the occupation of certain towns by armed peasants.

I think that this might also (?be the result of) one of the meetings held, a meeting at which the problem of repression was discussed. In fact, it was even an American representative [delege ameriken] at that meeting who brought up the need for repression—and they said they had to hit the progressive forces in the provinces in order to teach them a lesson in Haiti. We are wondering if this is the plan that is under way. And if it is, we are wondering to what end Mr Saint-Pierre is trying to get this plan under way.

[Reporter] Mr Bourjolly, you speak of a plan. Do you think Mr Saint-Pierre is a man who is collaborating, at one level or another, with a view to...

[Bourjolly, interrupting] Mr Saint-Pierre seems to be a person involved in a plot against the security of Haiti. He is involved in a plot against the government. He is involved in a plot against everyone fighting to advance the idea of democracy.

[Reporter] You speak of a plot against the government. How so?

[Bourjolly] He is plotting against Avril, because he is suggesting to Avril that he take measures that will provoke his fall. So, in other words, Saint-Pierre would probably like to see Namphy back in power. There can be no other explanation! I mean, Saint-Pierre has always been a good friend of Namphy's. They were buddies. Namphy used to call him my son. He used to call Namphy dad. So perhaps he is involved in a plot to have Namphy return. Thus, there are a number of questions we must ask ourselves.

We Haitian Communists speak clearly. We always say clearly what we are going to do. When we decided to take up arms against Duvalier, we said clearly that we were

going to take up arms against him, and then we did it. Now, we are saying that Haiti must be spared the horror of a civil war. We said this. We said that there is space for a political battle to be waged in Haiti. We said that we wanted to wage the battle in a civilized manner. This means... [changes thought] And this is how we are struggling.

Now, we are not going to tell the people to go home and sit down; the demands for which the Haitian people are fighting are legitimate, because there have been no measures taken to relieve the misery of the peasants or to prevent the employers from doing as they please in the factories. There have been no social measures taken to relieve the misery and hunger of the poor. Thus, we ourselves think that the demands the Haitian people are making are legitimate, and if the people are rising up to demand their rights, to demand what needs to be done to enable them to live as men in dignity, well, we think that for them to do so is normal.

[Reporter] Mr Bourjolly, do you think Mr Saint-Pierre's accusations against the PUCH are based on facts?

[Bourjolly] His accusations are not based on any facts. They are based on inventions, on.... [changes thought] He had a dream and wrote this dream down in a letter and sent it to Prosper Avril.

[Reporter] So what is the PUCH's reaction to this memorandum? What is the PUCH asking?

[Bourjolly] This document disgraces and shames Mr Saint-Pierre, and we ask that he explain it over television. If necessary, we are prepared to participate in a debate on this controversy with him over the government television station, so that he can present proof of his affirmations. [end recording]

Anthony Virginie Saint-Pierre, also called Tony Saint-Pierre, whose name was heard a lot back when the rice war was going on in the Artibonite, around Gonaives, also served as go-between between the people who effected the 20 June 1988 coup d'etat and President Leslie Francois Manigat, who was ousted by this coup. [passage omitted] As testimony of this, there are the statements Mr Manigat made over the Voice of America on 21 June 1988. [passage omitted]

#### Further Party, Government Views

FL0302004889 Port-au-Prince Radio Nationale  
in Creole 1400 GMT 2 Feb 89

[Excerpts] Mr Chavannes Jean-Baptiste, head of the Papaye Peasants Movement, MPP, and Mr Max Bourjolly, the number two man in the Unified Party of Haitian Communists, PUCH, have both denied the accusation of destabilizing the government, which was made against them in a document from the Ministry of

Information and Coordination and addressed to the president of the military government, Lieutenant General Prosper Avril. [passage omitted]

In a news conference yesterday, MPP leader Jean-Baptiste said that he was indignant over this accusation; he asked the minister to show proof, particularly regarding the weapons that the peasants are said to possess. Jean-Baptiste pointed out that in Haiti it is the macoutes and the Army who possess weapons. [passage omitted]

In this connection, the Ministry of Interior and National Defense has issued a communique in which it announces that the government of the Republic confirms that the report entitled "Analysis of the Situation in Haiti for the Week of 9-14 January 1989" is an authentic report—prepared by the Ministry of Information and Coordination and addressed to the president of the military government. These kinds of reports, which are not labeled confidential, are weekly reports and fall within the framework of the attributions and responsibilities that all ministries have in their relations with the public and with the head of the executive branch of government.

The information contained in this report was the reason they quickly formed an investigating committee, the first results of which showed that, indeed, there were a few problems that did indeed merit an urgent [irjan] solution from the government for the benefit of the population concerned.

It is the duty of all sectors of the Haitian Government to anticipate any situations that might deteriorate the security and peace of Haitian families throughout Haiti.

Furthermore, the recommendations of the Ministry of Information and Coordination are evidence of the Haitian Government's preoccupation with and desire to establish a democratic society in which the forces of order exist to forestall rather than repress. The government of the Republic, within the framework of its mission to guarantee the security and physical safety [integrite] of all citizens, would not like to have to intervene after a catastrophe, as happened in the case of the Jean-Rabel massacre. The government regrets that certain press organs made improper use of this document without considering (?the consequences).

The communique is signed by Carl Dorsainvil, colonel, Haitian Armed Forces, minister of interior and national defense.

**Joint Declaration Demands Avril Resignation**  
FL0302011289 Port-au-Prince Radio Nationale  
in Creole 1400 GMT 2 Feb 89

[Text] A joint declaration by several political parties says that the government of General Prosper Avril is incapable of managing the political crisis in Haiti. They accuse the government of abandoning the Haitian immigrants

involved in the accident in the Dominican Republic to their fates. They say that the government took measures, through its information minister, to spread armed repression throughout Haiti and to carry out a genocide against the Haitian people by inventing a series of plots. Therefore, they, the following leaders and political and union organizations, commit themselves to supporting the Haitian people's demand that Gen Avril resign, a demand which they say has been expressed through several popular demonstrations that have taken place.

They are asking all the nation's forces to maintain their impetus and to mobilize even further. They ask these forces to take peaceful actions and to await the proclamation of the different stages of the struggle, the final objective of which is the resignation of Gen Prosper Avril in favor of a government that conforms with the demands of the Constitution of 1987.

The declaration is signed by Rockefeller Guerre, president of the UPD [Union of Democratic Patriots]; Reverend Sylvio C. Claude, president of the PDCH [Haitian Christian Democratic Party]; Louis Dejoie II, president of the PAIN [National Agricultural and Industrial Party]; (Joseph Manusi Pierre), for CATH [Autonomous Organization of Haitian Workers]; (Patrick Henry), for the Haitian Republicans [Repiblikan Ayisyen]; Dr (Sylvain Jolibois), for the Jean-Jacques Dessalines Nationalist Sector; (Frank Senat), for the Haitian Liberation Party, PLH; Mrs Lina McNally, for the Coordinating Committee of the Democratic Forces; and Dr Turnep Delpe, secretary general, for the PNDPH [National Democratic and Progressive Party of Haiti].

**CATH Press Release Calls for Mobilization**  
FL0302011689 Port-au-Prince Radio Soleil Network  
in Creole 1200 GMT 1 Feb 89

[Text] The Autonomous Organization of Haitian Workers [CATH] in a press release yesterday [31 January] declared that if the military government thinks that it can once again scorn the Haitian people—after the two recent warning strikes—it is making a big mistake. The CATH says that the Haitian situation is deteriorating daily, for now it is the government itself that has decided to continue to commit acts of repression against workers; CATH cited the case of the (Amtec) workers. It also spoke of the death of approximately 50 Haitians in the Dominican Republic.

CATH asked the Haitian people to mobilize to uproot all the tonton macoutes and all the detectives [atache] in the four corners of Haiti, and asked the opposition to stop wasting its time engaging in false politics, which never lead to any results.

**31 Jan Demonstrations in Miragoane, Petit Goave**  
FL0302010189 Port-au-Prince Radio Soleil Network  
in Creole 1200 GMT 1 Feb 89

[Excerpts] There was a demonstration yesterday in Miragoane. Two shiploads of merchandise that were to unload were unable to do so because the [Miragoane]



customs director said he had orders not to allow them to unload. Some 1,500 people took to the streets, beginning at the port in Miragoane. There were flaming barricades in the center of town. The demonstrators then headed for (Carrefour Derizo), where they blocked the highway.

[Begin correspondent recording] On Tuesday, 31 January, some 1,500 people again took to the streets in Miragoane crying out against General Avril. Why? Well, at 0900 two ships, the ("Sacha Express") and the ("Nina"), drew up to the wharf for contraband [warf kontreband la]. These vessels were loaded with vehicles. Customs director (Dany Desvers) said that according to orders he had received, these vessels could not unload. He said they would have to go either to Port-au-Prince or to Cap Haitien.

Wharf workers, mixed in with all kinds of other people, immediately took to the streets to demand the reopening of the port and the resignation of Gen Avril. They were chanting chants hostile to the general, such as: "The general is not a friend of the people"; "The general is the friend of the big bourgeois"; "Heubreux is a little slunky"; and "Heubreux has betrayed the Haitian people's struggle." [passage omitted]

The demonstration of Saturday 28 January was peaceful, but Tuesday's had a different [word indistinct]. There were flaming tires all over town and barricades, particularly in the (Carrefour Derizo) area. When the demonstrators arrived at that intersection at approximately 1300, they completely paralyzed traffic. There were great big bonfires set. The demonstrators went home at around 1700, and only then did traffic resume. Only then were vehicles able to get through to Les Cayes or Port-au-Prince or elsewhere in the Nippes area.

We met up with Miragoane customs director (Dany Desvers) at (Carrefour Derizo). He told us he was going to see General Customs Administration authorities in Port-au-Prince to see what solution could be found to this crisis. [passage omitted with indistinct portions] [end recording]

Also, yesterday morning some 300 people who work at the Petit Goave wharf erected barricades on National Highway No 2. They wrote all kinds of antigovernment slogans on all passing cars, such as: "Down with Avril"; "Down with the forum"; and "Long live a civilian government."

[Begin correspondent Metellus recording] On Tuesday 31 January, at around 0900, a group of people who work on the Petit Goave wharf set up barricades on National Highway No 1, near (Chabanne). They wrote the slogan "Down with Avril" on all passing cars. At 1000, a demonstration against Gen Prosper Avril and against the measures taken to prevent cars from being unloaded on the Petit Goave wharf began at the wharf in Petit Goave. There were some 300 demonstrators. [passage omitted]

At 1300, the demonstrators headed for National Highway No 1 to erect barricades in the (Morne Soldat) area. The police fired a few shots into the air to disperse the demonstrators, who went and assembled further down the road.

This is Max A. Metellus, Radio Soleil, Petit Goave. [end recording]

### Trinidad and Tobago

**Robinson Meets With Venezuela's Perez**  
*FL0302025089 Bridgetown CANA in English*  
2323 GMT 2 Feb 89

[Text] Port-of-Spain, Trinidad, Feb 2, CANA—Trinidad and Tobago's Prime Minister A.N.R. Robinson, and Venezuela's President Carlos Andres Perez, have agreed to the need for a closer relationship between the Caribbean and Venezuela.

Robinson arrived in Venezuela on Wednesday for the inauguration of the new president and met with Perez for about 35 minutes on the same morning to discuss issues such as external debt, the petroleum situation, the deepening of Caribbean integration, Venezuela's role in Caribbean development, and bilateral relations between the two countries, especially in the areas of fishing and trade.

A statement from the External Affairs Ministry here said that Perez had indicated his support for the deepening of Caribbean/Venezuelan relations and hoped that this might be increased through Caricom.

On the issue of external debt the two leaders agreed that the problem had to be treated regionally and globally.

They also supported the maintenance of a stable and acceptable price level for petroleum crude since this was crucial to the development and planning of developing countries, especially those whose income was largely dependent on the product.

The two leaders also agreed to establish a system of direct personal communication on matters of personal interest, the ministry's statement said.



### Costa Rica

**Arias Asks Europe for Help in Solving Problems**  
PA0502165989 San Jose Radio Reloj in Spanish  
1200 GMT 31 Jan 89

[Text] President Oscar Arias has said that democracy grows stronger by cooperating in development and looking for peace. He added that this cooperation must lead to finding specific ways to help solve the problems that separate us. The president said that dialogue, integration, the foreign debt, new markets, new technology, and technical and financial assistance are the subjects that we must discuss.

The European countries cannot be satisfied with the stability of their democracies, Arias said. Europe must cooperate in the consolidation and development of the Latin American democratic processes, he asserted, and this requires many things, such as condemning authoritarian regimes, demanding respect for human rights, and promoting democratization.

The president said that to talk of new fields of cooperation does not mean we do not need or appreciate the economic aid we are receiving from the EEC. He asked for help in solving problems peacefully and democratically. The president declared: Let us help each other to prevent the influx of arms from anywhere in the world, because steel is needed to produce plows and to end misery.

Arias said the Latin American countries need support to follow the path they have chosen. We need political and economic support, he added, and we ask that no more arms be sent to the region. Instead of arms, let us have investments, Arias concluded.

### El Salvador

**President Addresses Nation on FMLN Proposal**  
PA0302162389 San Salvador Canal Seis Television  
in Spanish 0238 GMT 3 Feb 89

[Speech to nation by President Jose Napoleon Duarte in San Salvador; broadcast in progress—live or recorded]

[Text] ...a high concentration of land ownership by a few, a bad distribution of income, and the lack of all kinds of freedoms, which prevented people from expressing themselves and electing their government leaders. The conflict has worsened with the various types of aid provided to the guerrilla movements by Marxist governments and peoples.

I have devoted all my political life to change the economic, social, and power structures that have caused the conflict we are experiencing. That is why I have contributed, along with the Armed Forces and other sectors of society, to lay the foundations for a new society, to place the land at the service of those who work it, to provide

financial and technical aid, to create new jobs for peasants, and to guarantee the country that the product of the work of its people will be invested in the people's development rather than being sent abroad to enrich the wealthier countries.

That is the significance of the three basic reforms: the agrarian, banking, and foreign trade reforms. In addition, all of the aforementioned falls within the framework of the struggle for the defense of human rights, the fight against death squads and kidnappings, so as to give security to the people, the creation of a broad system of freedoms to permit the free expression of thought, free movement throughout the country, and free participation in any political party regardless of its ideology, and absolute guarantee of respect for the people's will, as expressed with total freedom in elections.

As a result of that effort, 1.9 million Salvadorans elected a constituent assembly which, with the unanimous vote of the Democratic Action Party, the National Conciliation Party, ARENA [Nationalist Republican Alliance], and the Christian Democratic Party,—in other words, representing 1.9 million Salvadorans—drew up the Constitution. Based on this Constitution, the people, through free elections backed by the presence of hundreds of international observers, elected me constitutional president of the Republic. Twice in a row, the people have elected the deputies and the current mayors and municipal councils.

The Legislative Assembly, exercising its constitutional power, elected the Supreme Court of Justice, the attorney general, the president and the magistrates of the Court of Accounts of the Republic and the Central Electoral Council. As a result, the country's institutions were reestablished on the basis of new foundations.

It is therefore clear that the entire organization of the state, its basic executive, legislative, and judicial branches and the rest of the state institutions and the Armed Forces have been organized on the basis of the current Constitution by the sovereign decision of the people. Therefore, the FMLN-FDR's proposal of peace without the constitution is not acceptable or valid.

On the contrary, just as I stated to the United Nations in 1984, I conceive my offer within the framework of the Salvadoran Constitution, which has established a system of democracy and political pluralism so that the most diverse ideologies can coexist. I now reiterate that the objective must be peace, but peace within the constitutional framework. It would make no sense to recognize the validity of elections and the legitimacy of the government that emerged from them if the legal-political base of the state were to be invalidated.

The Constitution, even if it includes some provisions that are not to our liking, contains all the necessary provisions to guarantee respect for human dignity, political pluralism, social justice, and, in general, the principles that guarantee the orderly development of the democratization process, which the Salvadoran people are determined to carry out.

Since October 1984, when I proposed at the United Nations a political dialogue with the FMLN-FDR, I have been completely clear in stating that any solution must fall within the framework of the Constitution, because only within this framework can we find the means to overcome our differences and to work for our dear people.

I state that the FMLN has not presented a peace proposal. As they state, they have presented a proposal to turn the elections into a contribution to peace. I think that the elections should put an end to the armed conflict and be the instrument for the joining together of all Salvadorans.

For the first time in more than 50 years, there will be a change in president and vice president, and their successors will be freely chosen by the people. Also for the first time, the people will have the opportunity to choose the candidate with the ideology and the ability they prefer. Those who call themselves conservatives, the right wing, the pseudo-right wing, the center, the socialists, the leftists, the Marxists, and so on will participate in the elections.

However, the most significant thing here is that with the participation of the FDR, through its most distinguished leaders in the Democratic Convergence, the political ally of the FMLN is acting within the process.

I view with hope the FMLN's proposal to accept the legitimacy of the electoral results. If this becomes a reality, this in itself would lead to an end to the armed conflict, because no reason would exist for the FMLN to continue its military actions against a government that is accepted as legitimate. It is also encouraging that the FMLN has offered to respect the activity of the parties and the electoral institutions and the lives of mayors and that it has asked its social base to respect the electoral activity. This is what all the people want—that it join and strengthen the democratic process.

The offers are so encouraging that it would be disappointing to make them conditional on the destruction of the system that has already been built. This would just add one more problem to those that already exist, and instead of peace, we would have chaos.

For this reason, I invite the FMLN to think about these topics and to seek peace within the constitutional system—something that, as I have already explained, is possible.

Peace is and has been our people's most heartfelt wish and, as president, I have devoted my full efforts and attention to achieving this objective. In my opinion, peace will come to our country only if all Salvadorans have the will to achieve it. For this reason, it is imperative that we seek a concerted effort by all political forces, backed by the state as a whole and the Armed Forces in

particular, to propose the terms for the FMLN's incorporation into the democratization process and constitutional order. Only in this way will we be able to establish a lasting peace that will place our homeland on the path to development and social justice.

My government has repeatedly and tirelessly sought a consensus on a national proposal; however, conflicting interests have prevented nationwide support for the proposal. Nevertheless, I continue to feel that a search for this national consensus and the forsaking of the current electoral interests or partisan interests are indispensable to draw up a policy that will lead to a real possibility for true peace for the Salvadoran people.

For no reason whatsoever—and much less to gain an electoral advantage—should the real possibility for achieving peace in our homeland and among our people be thwarted. Therefore, I once again invite all political parties to seek the necessary agreements to achieve these objectives. In addition, I ask that, as a real token of its will and its sincere determination to achieve peace, the FMLN immediately stop all violent actions against the civilian population, the municipal and judicial authorities, and leaders and members of political parties and electoral bodies, and to stop all sorts of sabotage against the nation's economic infrastructure. I expect a positive attitude on the part of the FMLN and a great, joint effort on the part of all political parties to bring peace to our country.

I am very pleased that the dialogue and peacemaking process launched by my government is bearing positive fruit because it has been demonstrated once more that our country is living in freedom and democracy.

Finally, as constitutional president of the Republic and the Armed Forces commander, I reiterate that I will respect the rule of law and will turn over power on 1 June according to the constitutional system.

Salvadoran people, good night.

**Duarte Asks for Parties' Consensus on Proposal**  
PA0302135089 Hamburg DPA in Spanish  
0605 GMT 3 Feb 89

[Text] San Salvador, 3 Feb (DPA)—Salvadoran President Jose Napoleon Duarte tonight asked political parties to seek a consensus regarding the guerrillas' proposal to postpone the elections from March to September.

Duarte delivered a message over a radio and television network which was construed as an official response to the FMLN's proposal to postpone the elections and negotiate certain conditions to allow the rebels to participate in the elections by supporting a leftist coalition.

The president stated that the Constitution says how all state branches must act and, just as he said at the United Nations in October 1984 when he asked the guerrillas to participate in a dialogue, he will make every effort to seek mechanisms to achieve peace within a constitutional framework.

The president told the rebels that he has been quite clear in this regard and is happy that the fruits of this dialogue are being reaped today "because we do have democracy now."

He added that the Salvadoran people will elect their head of state by their own free will for the first time in over 5 decades. "There will be a change of president through an election in which the participants will range from self-styled conservatives to political allies of the FMLN," Duarte added.

In last night's message, Duarte asked the top political leaders to try to find a way to reach a consensus, setting aside personal or political interests, and added: "I ask the FMLN to seek peace within a constitutional framework, which is possible."

I think that if we reach an agreement and have the support of the government and the Armed Forces it is possible to reach the consensus we have been longing for, he said.

Duarte said the FMLN's offer to respect the lives of mayors and political parties' activities is encouraging, but it would be better to show its goodwill by immediately stopping all sabotage, killings, and violence against the mayors.

For my part, I offer to respect the rule of law and to turn over power on 1 June as provided by the Constitution, he added.

Duarte has given his response to the guerrillas a few hours before the arrival of U.S. Vice President Dan Quayle, who will meet with Duarte and the candidates of the major political parties: Fredi Cristiani of the rightist Nationalist Republican Alliance, and Fidel Chavez Mena of the Christian Democratic Party.

It has been reported that Quayle will give them a message from the U.S. Democratic Party to endorse the guerrillas' proposal to postpone the elections because otherwise it will be difficult to win approval for the almost \$400 million in aid for El Salvador this year.

**Duarte Welcomes Quayle, Comments on FMLN**  
PA0402215289 San Salvador Domestic Service  
in Spanish 0230 GMT 4 Feb 89

[Speech by President Jose Napoleon Duarte at a banquet for U.S. Vice President Dan Quayle; no place or date given; live or recorded—broadcast in progress]

[Text] ...we are all trying to strengthen democracy based on the country's Constitution, which provides social order. We want to maintain and strengthen it. This

Constitution is the product of 1.9 million votes from people who created the constituent assembly and provided the institutional structure within which the country operates.

We must seek peace based on the Constitution. We must seek peace without destroying the Constitution. This is why yesterday I confirmed my message to the FMLN, asking that organization what I have always asked that it do: to abandon the idea of using violence to seize power and to make the decision to join the democratic process. These two things are vital to the existence of the nation.

The FMLN is slowly moving in this direction because this is the first time that they have recognized elections as an alternative.

Mr Vice President of the United States, we greet you under the following circumstances: The political parties are legally seeking power through elections. They tell the people their points of view, and it is the people who must be the builders of their own future. As president I have committed myself to giving the country a democratic basis. This has been my commitment as commander of the Armed Forces. The Armed Forces and I have made the commitment to struggle for human rights and to eliminate from our society the hatred and rancor that has produced abuses of authority or death squads or seditious actions against our people.

Mr Vice President, this is why I have invited here today, people from all the political sectors of the country so that you may speak to them.

I want to most cordially welcome you and to sincerely congratulate you on your election victory. I fervently hope that God helps you and protects you so that you may accomplish your mission.

#### **Reaction to U.S. Vice President in San Salvador**

##### **FMLN Radio Comments**

PA0302134489 (Clandestine) Radio Venceremos  
in Spanish to El Salvador 0000 GMT 3 Feb 89

[Text] U.S. Vice President Dan Quayle will arrive in El Salvador this Friday. Quayle will be arriving in our country tomorrow, at a time when the focus of El Salvador's political activity is centered around the FMLN's peace proposal. This proposal is being discussed by the political parties and by all segments of society.

Dan Quayle will arrive in El Salvador 48 hours after the FMLN announced it will not attack U.S. personnel. This announcement is a consequence of the positive support that several U.S. groups have expressed toward the FMLN proposal.



Quayle arrives in our country today at a time when the United States has begun to debate the FMLN proposal. He arrives at a time when the Reagan administration is being openly criticized for having failed to contain the ever-increasing advance of the people's revolutionary struggle in El Salvador.

We feel that 8 years of useless efforts should be enough to motivate the new Bush administration to adopt a policy that is more realistic and coherent in relation to El Salvador's current political situation and to the interests of the Latin American community and the international community to find a solution to the Salvadoran conflict. It is now up to the new Bush administration to make an effort to promote stability in the region.

#### **Venceremos on Quayle Visit**

PA0602015389 (Clandestine) Radio Venceremos  
in Spanish to El Salvador 0032 GMT 6 Feb 89

[Station commentary: "El Salvador: The Reality of Change, The Change of Reality"]

[Text] While workers and students used fire to protest in the streets of San Salvador against the surrender of sovereignty through the financing of a counterinsurgency war, Napoleon Duarte was toasting servilism. The visit of U.S. Vice President Dan Quayle created expectations in the midst of an important national discussion of the FMLN's proposal, because the position of the new U.S. Administration is, as everyone knows, decisive in the actions carried out and the decisions made by the Christian Democratic government.

While the new U.S. Administration is finding throughout the continent a budding sense of dignity and self-determination and governments that demand mutual respect and independence here in El Salvador, Dan Quayle found a government acting exactly the opposite. He found the most shameful willingness to continue selling off sovereignty for a fistful of dollars.

It is incongruous for Duarte to call himself a champion of democracy. What is he champion of? Duarte is the champion of more than 60,000 murders, 8 years of counterinsurgency war, a galloping economic crisis, an agrarian reform that has only meant an unpayable debt for peasants, and the violation of human rights as shown by the massacres, the missing people, and the reports of national and international human rights groups.

One cannot understand how it is strongly demanded that the Army respect human rights and stop the activity of the death squads when in fact the Army is directed, financed, and maintained by U.S. dollars, U.S. advisers, and U.S. strategy—strategy based on the doctrine of a low-intensity war, with counterinsurgency tactics that include the weakening of the people's movement through arrests, corruption, terrorism, and even massacres such as that of San Sebastian and the bombings of civilian populated areas.

The statements by the U.S. vice president in public and in private could be interpreted many ways. However, statements are one thing and reality is another. The reality of the country is a deep and explosive crisis that threatens to bring about an imminent social explosion with grave consequences not only for El Salvador but for regional stability. Willingness to achieve development, democracy, and respect for human rights is one thing, and another thing is the counterinsurgency strategy, which was promoted by the Reagan administration and which does not in any way solve the crisis. On the contrary, it worsens the crisis.

The options are clear. The continuity of corruption and counterinsurgency or the continuity of death squads and counterinsurgency do not mean solutions but continuation and worsening of the crisis. The other option is a solution. It seeks the paths of change. It is the desire of the Salvadoran people. It is the desire of the Latin American and European communities. It is also the desire of the U.S. people. That is the reality in the face of an imminent social explosion. We think the new U.S. Administration should respond to this reality. The FMLN has issued a proposal to contribute to peace. It is a proposal for change, for a change of the reality of repression and of U.S. interference, and for nonparticipation of military men and for clean elections in September, which would represent change. In this way, there would be a real path to solve the conflict.

#### **PDC's Meeting With Quayle**

PA0302210689 Panama City ACAN in Spanish  
1920 GMT 3 Feb 89

[Text] San Salvador, 3 Feb (ACAN-EFE)—In his first talks with political leaders, U.S. Vice President Dan Quayle today demanded "inflexible" respect for human rights in El Salvador.

This was revealed today by Fidel Chavez Mena, presidential candidate of the governing Christian Democratic Party [PDC] of El Salvador, following his meeting with Quayle at the residence of U.S. Ambassador El Salvador William Walker.

Chavez Mena said that "Vice President Quayle made it clear he is very concerned with the human rights situation in El Salvador." Quayle's meeting with the Salvadoran presidential candidate, who was accompanied by three other PDC leaders, lasted 50 minutes. The candidate said the subject that had been expected to be the center of the talks—the guerrillas' proposal regarding acceptance of the forthcoming elections—was not discussed by the Vice President and the PDC leaders.

According to Chavez Mena, Quayle said U.S. President George Bush's administration is willing to support the democratic process in El Salvador and continue providing the aid as it has done for the past few years.



The Salvadoran Government has received more than \$3.2 billion in U.S. economic and military aid in recent years, an amount higher than that given by Washington to all the South American countries combined.

Chavez Mena stated: "Quayle's visit to El Salvador demonstrates the importance the United States gives to our country and to the democratic process."

According to the presidential candidate, Quayle's "main concern" is respect for human rights in El Salvador and the strengthening of the democratic process.

Chavez Mena characterized his meeting with Quayle as "positive, cordial, and pleasant." He told Quayle that "to have democracy in El Salvador, the war must end, the economy must be reactivated, and there must be a participative government and international cooperation."

The candidate stressed that he did not discuss with Quayle the Salvadoran guerrilla offer to accept the legitimacy of the election results if the election is postponed from March to September in order to negotiate participation guarantees.

According to Chavez Mena, the meeting also did not cover the Central American peace process.

The U.S. vice president arrived this morning in San Salvador from Venezuela to meet with President Jose Napoleon Duarte, the Army High Command, and political leaders of the main parties.

Quayle's first meeting was with PDC members Chavez Mena, Francisco Barrientos (vice presidential candidate), Atilio Vиейtez, and Pablo Alvergue.

Following the meeting with the PDC, the U.S. vice president received the presidential candidate for the main opposition party—Alfredo Cristiani of the Nationalist Republican Alliance [ARENA].

Together with Cristiani, there were two other ARENA leaders: National Assembly President Ricardo Alvarenga and vice presidential candidate Francisco Merino.

Cristiani and the other ARENA leaders left Ambassador Walker's residence without issuing any statements to the press on what was discussed with Quayle.

The U.S. vice president does not plan to meet with the third presidential candidate, leftist Guillermo Ungo.

Following the meeting with the political leaders, Quayle went to President Duarte's residence, with whom he will have lunch. From there, he will go to the Joint Chiefs of Staff headquarters to meet with Defense Minister General Eugenio Vides and other military leaders.

#### UPD Comments on Visit

PA0402042689 San Salvador Canal Doce Television  
in Spanish 0330 GMT 4 Feb 89

[Report by Alfredo Villarreal]

[Text] During a news conference held today, the Democratic Popular Unity [UPD] said U.S. Vice President Quayle's visit chiefly seeks to find an alternative to the FMLN proposal. The Bush administration's decision to decline to comment on the FMLN proposal is a very positive sign. However, with Mr Quayle's visit, this decision becomes more pronounced. According to the UPD, Quayle will make the appropriate recommendations.

[Begin unidentified person recording] No doubt, Vice President Quayle will make his recommendations although the United States will not publicly announce them. However, the U.S. recommendation is to find an alternative that will finally contribute to finding a political solution to the armed conflict. We can say he will recommend seeking a solution to stop the bloodshed. The United States may say: Salvadorans, there are no [word indistinct] for war. Gentlemen, there is no political support for the war. We will no longer continue taking you everywhere so you can say you are defending a country. Defend yourselves now. We will help you, but sit down and negotiate.

We think this is an important and historical moment. Even the failure to achieve anything constitutes a historical development. The country cannot take it any more. This country cannot take it any more. [end recording]

Moreover, the nongovernment UPD leadership deplored the politicians' refusal to negotiate with the guerrillas, alleging they cannot violate the Constitution by changing the date of the elections. Therefore, the UPD demanded the talks be held.

[Begin unidentified person recording] As for the elections, they can be held in March if it is advisable and possible, and if it serves the interests of the Salvadoran people. They can be held in September. They can be held in March 1990. We, peasants, workers, impoverished majorities, could not care less about the election period at this point. What interests us is the war, which is smothering and destroying this country and which is chiefly to blame for our terrible economic situation. We should be exerting pressure to have a cease-fire now. [end recording]

To end, they termed as positive the National Republican Alliance's latest proposal to grant amnesty to five rebel commanders. However, it is not known if the FMLN rebels will accept it.

**Leftists Protest Visit**

PA0302155489 Panama City ACAN in Spanish  
1450 GMT 3 Feb 89

[Text] San Salvador, 3 Feb (ACAN-EFE)—To protest the visit U.S. Vice President Dan Quayle will pay to El Salvador today, activists of the leftist Bread, Land, Work, and Freedom Movement (MPTTL) intercepted a bus this morning and used it to block a street in San Salvador's downtown section.

Despite the intensive police surveillance throughout San Salvador, the MPTTL activists stopped the bus 2 hours before Quayle's arrival, deflated its tires, and turned it sideways in the street, thus causing a big traffic jam.

In addition to the protest, the MPTTL activists distributed propaganda leaflets expressing their "repudiation" of the visit.

According to the MPTTL, Quayle is coming to El Salvador to order the government and the Armed Forces to continue the war.

The MPTTL issued a communique stating that "Quayle's presence shows his government's concern over the incompetence of its 119 military advisers and the murderous and oppressive Salvadoran Armed Forces, which is evidenced by their obvious defeat in the war."

The attitude of this leftist group stands in contrast to that of the Salvadoran guerrillas, who have stated that they "hope" for changes in U.S. foreign policy under the Bush administration and announced that they will stop attacking U.S. citizens in El Salvador.

Quayle will meet with President Duarte, the Armed Forces General Staff, and political leaders today in San Salvador.

**'Revolutionary Students' Protest**

PA0302203689 Panama City ACAN in Spanish  
1940 GMT 3 Feb 89

[Text] San Salvador, 3 Feb (ACAN-EFE)—University students burned a state vehicle while leftists parked buses on the streets of San Salvador to protest U.S. Vice President Dan Quayle's visit to El Salvador today.

The "Revolutionary Students Front" claimed credit for throwing a "Molotov" cocktail at a Salvadoran Social Security Institute vehicle near the National University in the northern part of the capital.

Nobody was injured in the attack or in other demonstrations protesting Quayle's visit.

Despite the intense military and police vigilance throughout the capital, groups of leftists of the Bread, Land, Work, and Freedom Movement (MPTTL) stopped two buses, deflated their tires, and used them to block streets, causing traffic jams.

After the protests, the leftists left propaganda expressing their "repudiation" of Quayle's visit.

According to the MPTTL, Quayle is arriving in El Salvador to give "orders" to the government and the Army to continue the war.

The attitude of these leftist groups contrasts with that of the Salvadoran guerrillas, who have expressed "hope" of changes in U.S. foreign policy and in the new George Bush administration, and announced an end to attacks against U.S. citizens in El Salvador.

Quayle met this morning in San Salvador with leaders of the principal political parties, the ruling Christian Democratic Party and the opposition Nationalist Republican Alliance, and with President Jose Napoleon Duarte at midday.

**ARENA 'Satisfied'**

PA0402135089 San Salvador Radio Cadena YSKL  
in Spanish 1211 GMT 4 Feb 89

[Text] Alfredo Cristiani, El Salvador's main right-wing presidential candidate, said he was satisfied with U.S. Vice President Dan Quayle's promise that the U.S. Government will not support any party in particular during the March elections.

Cristiani also applauded the U.S. commitment to continue supporting the Salvadoran Government regardless of which party wins the elections. According to Cristiani, Quayle's basic message upon visiting San Salvador on Friday is that the U.S. Government will support democracy and will maintain a neutral position regarding the presidential race. Cristiani added that the United States is willing to support the new Salvadoran Government and to promote democracy and respect for human rights. Several hours after his meeting with Quayle, Cristiani stated that he was very happy with the U.S. Government's neutral position.

The latest polls indicate that Cristiani, presidential candidate for ARENA [Nationalist Republican Alliance], is more popular among voters than Fidel Chavez Mena, the ruling Christian Democratic Party's presidential candidate. ARENA leaders had previously claimed that the United States had helped El Salvador's current president, the Christian Democrat Jose Napoleon Duarte, to win the 1984 elections. Right-wing leaders have expressed fears that this might also occur during the 1989 elections.

**FDR's Ungo Assesses Bush Administration Policy**  
PA0502174289 Madrid EFE in Spanish  
1602 GMT 2 Feb 89

[Text] Caracas, 2 Feb (EFE)—Salvadoran FDR President Guillermo Ungo said today in Caracas that he does not see immediate solutions to his country's political crisis. Ungo is attending the inauguration of Venezuelan President Carlos Andres Perez.

The Salvadoran political leader said he sees an "intensification of the war" in the immediate future, although he felt a negotiated solution should be the alternative to the conflict.

Ungo noted that it would be "premature" to comment on the chances for peace in Central America under the new U.S. Administration headed by Republican George Bush.

Although he said "more time was needed" before making comments, the FDR president noted that he did not expect "spectacular changes." He did, however, acknowledge that "changes have been made, such as dismissing Elliott Abrams as U.S. assistant secretary of state for inter-American affairs."

Ungo asserted that his political organization, the Democratic Convergence [CD], is a key player in the country's political scene and that there is no possibility for settling the conflict without the CD's participation.

Referring to the FMLN, Ungo said it has proven "it can hit the Army whenever and however it wants." He added that the FMLN has presently fallen back and is in a defensive position.

The Salvadoran political leader expressed optimism that the Central American summit will be held. In his opinion, the summit will "reach agreements that may restart the Esquipulas II peace process."

Ungo said Honduras and El Salvador are the countries with "a harder position," but he added: "Those two countries will have to make concessions so they will not appear to be enemies of the peace process."

**FMLN Rejects ARENA's Amnesty Offer**  
PA0302141189 Paris AFP in Spanish 0611 GMT  
3 Feb 89

[Text] Managua, 2 Feb (AFP)—The Salvadoran guerrillas today rejected an amnesty offer by the right-wing Nationalist Republican Alliance [ARENA], which controls the Salvadoran Congress. The guerrillas do not feel that the amnesty offer facilitates dialogue and believe it is "an obstacle to peace in the country."

Commander Nidia Diaz, a member of the guerrillas' military-diplomatic mission, made statements to a group of reporters and said that it is "unthinkable" that guerrilla leaders should have to accept amnesty before starting talks with Napoleon Duarte's government.

During a stopover in Managua, the Salvadoran leader added that "the FMLN commanders cannot be granted amnesty since there are no pending cases against them."

On Wednesday, Colonel Sigifredo Ochoa, first vice president of the Salvadoran Congress and ARENA leader, proposed in Costa Rica that talks be held on 10-12 February between guerrilla leaders, the Army's high command, and the country's political parties.

Ochoa said that ARENA would propose a "temporary amnesty" to allow the five FMLN commanders to travel to San Salvador to discuss the peace plan presented by the guerrillas on 23 January.

Diaz said that "what ARENA wants is to gain time and avoid dealing fully with the national problem."

Diaz added that the FMLN is sticking to its 23 January proposal, "which is a serious and reasonable offer for reaching national agreement."

The FMLN peace plan includes postponing elections from 19 March to 15 September to allow time for negotiations aimed at ending the fighting, which has killed 65,000 in 9 years.

Diaz insisted that there should not be any conditions so the national dialogue can take place under the terms suggested by the FMLN and added that if this is not the case, "we have already warned that a serious social explosion will ensue that will cause irreparable damage to the country."

The FMLN spokesman described as "very positive" the U.S. Government's reaction to the proposal, adding that Vice President Dan Quayle's visit to El Salvador on Friday, "is proof of this interest."

Diaz was optimistic that Quayle "would have the sensitivity to listen to all groups, because only in this way would he appreciate the seriousness of the present situation."

Diaz demanded that Washington "stop supporting Salvadoran political parties so we, all the people, can solve our own problems."

In San Salvador, the FMLN said President Duarte's and the right-winged groups' "constitutionality" argument, which was presented in initially rejecting the guerrillas' peace plan proposed through the Catholic Church on 23 January, had no validity.



An FMLN communique said: "The constitutional argument has no moral or political basis, as the current Constitution was established in a divided country, while the war escalated and genocide was taking place."

However, both Duarte and the ultraright-wing have reconsidered the guerrilla's peace proposal after the U.S. State Department said the FMLN plan "merits study."

**PDC, Democratic Action Party Sign Agreement**  
*PA0302153789 San Salvador Canal Doce Television in Spanish 0300 GMT 3 Feb 89*

[Report by Isabel Ruiz; passages within quotation marks recorded]

[Text] After a series of meetings, the Christian Democratic Party [PDC] and the Democratic Action Party signed a coalition pact on Thursday to strengthen and defend the democratic process. According to the coalition agreement, each party will keep its own symbols and statutes, which will be used to symbolize the coalition during the electoral process. The coalition has also agreed to abide by the electoral code and its reforms and to share the cost of participating in the upcoming elections based on the valid number of voters from each party. It was also reported that [PDC Secretary General Jose Antonio] Morales Ehrlich will be the coalition's legal representative and [PDC political committee member] Ovidio Hernandez will be his assistant.

[Unidentified speaker] "The political institutions that we represent have agreed to support Fidel Chavez Mena and Francisco Jose Barrientos as candidates for president and vice president, both active PDC members. The PDC has already announced its presidential ticket, as stipulated by the Central Electoral Council for the upcoming 19 March elections, and the Democratic Action Party will support this nomination.

"Third [as heard], the symbols adopted to represent the coalition will be the PDC's and Democratic Action Party's respective flags and emblems. According to the reform in Section 3, Article 127, Legislative Decree No 1,970 dated 25 January 1989, the parties in a state coalition must register their respective symbols independently of each other."

Finally, PDC vice presidential candidate Francisco Jose Barrientos said that the democratic center is participating in the electoral process to defeat the extremists, who are responsible for the political crisis.

[Barrientos] "We want to electorally defeat the extreme left and right wings once and for all, because both are equivalent to war. That is why we are personally taking part in this electoral process. We are now consolidating the business groups, which are definitely beginning to support us. It is just a matter of time before the elections take place, and we can already feel the warmth of victory. No one is apathetic or indifferent any more. Over half a

million people have been registered and registrations will continue. In fact, the independent voters, the mass groups, the professionals, and the technicians will vote for the PDC, which I represent."

**PDC To Postpone Elections if Consensus Exists**  
*PA0302190189 Panama City ACAN in Spanish 1722 GMT 3 Feb 89*

[Text] The ruling Christian Democratic Party [PDC] of El Salvador announced today that it will agree to the postponement of the 19 March elections, as the guerrillas requested, if there is a consensus among the political parties and if the rebels immediately cease their attacks.

A PDC communique "calls on all parties to seriously seek a consensus on the formulas that will permit the FMLN to engage in the electoral process peacefully, and on the most appropriate date to hold the next presidential elections."

"If there is a consensus on a new date, the names of the candidates submitted to the Central Electoral Council should be withdrawn or held in suspense," the communique added.

According to Salvadoran jurists, if the names of the candidates are withdrawn, it will permit postponing the March elections without breaking the constitutional framework.

The FMLN offered last week to accept the legitimacy and the result of the elections on the condition that they be postponed until 15 September to negotiate electoral and political guarantees in the meantime.

The proposal was rejected in principle by PDC President Jose Napoleon Duarte's government and by several of the principal parties which termed it "unconstitutional," "not viable," and a "trap."

Duarte said it was not a peace proposal but a war proposal, because the FMLN threatened "social upheaval" if the government and the parties rejected it.

The PDC communique issued on Friday, the day of U.S. Vice President Dan Quayle's visit to El Salvador, states that the postponement of the elections "must be within constitutional bounds," and be preceded by an "immediate cessation of FMLN violence against civilians."

The communique also proposed the "creation of an organization to oversee the electoral process, equally represented by all parties."

The guerrilla proposal also requested that the leftist Democratic Convergence coalition be part of a new electoral tribunal.

The PDC agreed with the guerrillas on the need to "draft as soon as possible the necessary electoral code reforms."



If a consensus on the postponement of the elections is not possible, the communique adds, the new government—which the PDC takes for granted will be headed by its current candidate Fidel Chavez—“will begin a round of talks” to reach a peace agreement that “will be submitted to a referendum” on 15 September.

**FMLN Report Notes Sniper, Urban Actions**  
*PA0302164689 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 1 Feb 89*

["Military Report for January"]

[Text] Pay close attention. During the 31 days of combat in January, we inflicted a total of 851 casualties on the puppet Army. We inflicted 851 casualties on the Salvadoran Armed Forces in January. We repeat, 851 casualties.

FMLN units inflicted 287 casualties from ambushes. The FMLN used a new form of combat, which we used more and more during the last few weeks and which has resulted in very positive results for our guerrilla army. By using snipers, we inflicted 24 Army casualties. Twenty-four shots became 24 casualties. These included two lieutenants; five 2d lieutenants; two lieutenants who were Air Force pilots; one group chief; six sergeants, including an explosives expert; four noncommissioned officers; six corporals; four radio operators; and one machinegun expert. [figures as heard]

In January we conducted 5 military maneuvers; 77 incursions into towns, hamlets, cantons, and cities; and 23 ambushes against military convoys. We conducted extensive propaganda activities throughout the country, including distribution of leaflets and tapes, the use of propaganda bombs, and blocking of roads. Some of these activities were conducted in doltrodden areas, including markets, inns, and low-income neighborhoods. We also occupied three radio stations in San Miguel.

The following is a list of equipment seized from the puppet army in January: 1 M-60 machinegun, 2 G-3 rifles, 23 M-16 rifles, 1 LAW M-72 rocket launcher, three M-79 grenade launchers, 24 grenades for M-79 grenade launchers, 3,500 cartridges of various calibers, 19 handguns, 2 grenades for 60-mm mortars, 2 claymore mines, 4 PRC-77 communication radios, 25 complete military equipment sets, 22 uniforms, 31 backpacks, and other war materiel.

Our urban commandos' actions during January included the following: artillery attacks on Treasury Police Headquarters, which is the Revolutionary Communist Extermination Action headquarters; an attack on the Presidential Palace with an artillery unit we placed only 150 meters from that building; an attack on Defense Minister General Carlos Vides Casanova's home; a dynamite attack against an Armed Forces building named La Torre; an attack on the house of the subdirector of the

Salvadoran National Police located in the [word indistinct] of Cuscatlan neighborhood; and various attacks, using explosives, on Army officers and pilots.

In January we seriously damaged four helicopters, destroyed five armored vehicles, (?two) military transport vehicles, and one PRC-77 communications radio. Our forces also destroyed a large part of the Armed Forces Engineers Detachment headquarters, the Jucuapa National Guard headquarters, the police quarters of Nueva Concepcion, and [word indistinct] a patrol car in San Salvador. In addition, we sabotaged one energy substation.

In January we destroyed 146 electric towers, 1 energy substation in Jocor, 7 telephone booths in San Salvador, and 4 offices of the National Administration for Telecommunications.

As for economic sabotage, our units sabotaged eight [word indistinct], three trains of the Salvadoran National Railroad, two credit union offices, one agricultural service office, one truck carrying poultry products, and [words indistinct] for the exclusive use of the bourgeoisie and U.S. military men located in [word indistinct] neighborhood. We also destroyed three trucks belonging to the Mesa Ayal family and one Chevron gas station in San Miguel.

**Defense Ministry Reports Jan Casualty Figures**  
*PA0502181789 San Salvador Canal Doce Television in Spanish 0300 GMT 2 Feb 89*

[Text] According to a Defense Ministry report, political violence in January resulted in the deaths of 368 persons. The monthly report, released today by the Army, says this total includes the 235 casualties inflicted on the FMLN. The report adds that 120 rebels were killed and 115 wounded. The report also states that 53 civilians lost their lives as a result of FMLN activities. At least 20 persons were wounded by car bombs set off by the guerrillas.

Likewise, the Army accused the FMLN of kidnapping 60 civilians. The Army also disclosed a plan by the guerrillas to blame the National Police for terrorist actions. According to military intelligence, the FMLN is making uniforms that match those worn by the National Police. The FMLN plans to launch attacks for which it would then blame the National Police. According to the Army, the uniforms are being manufactured in a refugee camp in (El Varrillo) canton, Suchitoto jurisdiction, Cuscatlan Department.

**Guatemala**

**Government Hopes Paraguayans Find Democracy**  
*PA0302231489 Panama City ACAN in Spanish 2057 GMT 3 Feb 89*

[Text] Guatemala City, 3 Feb (ACAN-EFE)—A Guatemalan official source said today that the Vinicio Cerezo administration hopes “the Paraguayan people will find the path toward true democracy,” following the ouster of Paraguayan President Alfredo Stroessner.

Guatemalan Government spokesman Julio Santos told ACAN-EFE "with this coup that ended a dictatorship in Latin America, the Paraguayan people can hope to achieve democracy."

Santos added that the Paraguayan military "has the opportunity to lead the country toward true democracy." The coup against Stroessner surprised President Cerezo, who is in Caracas attending the inauguration of Venezuela's new president, Carlos Andres Perez. He will remain in Caracas until Monday, his spokesman said.

### Honduras

#### Guerrillas Attack U.S. Military Convoy PA0302185389 Panama City ACAN in Spanish 1710 GMT 3 Feb 89

[Text] Tegucigalpa, 3 Feb (ACAN-EFE)—A Honduran military source has informed ACAN-EFE that a guerrilla column that the Honduran Army has been searching for in the northern part of the country attacked a U.S. military convoy in Yoro Department on Thursday.

The attack forced the convoy to return to its point of departure, the Honduran Air Force Base in Palmerola, 75 km south [of the site of the attack], thus preventing it from fulfilling its mission of taking food and equipment to U.S. and Honduran troops carrying out joint maneuvers in the area.

There were no victims. Only the last vehicle in the convoy was fired at, twice, and it suffered minor damage, according to a report issued today by Charles Barclay, the official spokesman for the U.S. Embassy in Tegucigalpa.

According to ACAN-EFE's source, who preferred to remain anonymous, "the rebels' presence in the northern part of Honduras is not new. The Army has been searching for a column of approximately 100 men for the past 7 months."

"Peasants in the Atlantida and Yoro Departments," the source added, "reported the armed men's presence in the mountains, and at the end of 1987, the Army discovered an arms cache at a cemetery in the port city of Tela in Atlantida Department."

The source pointed out that at the beginning of 1988, "urban guerrilla cells involved in logistic and communications support"—some of whose camps were dismantled—"and members of other cells discovered in Atlantida and Yoro, fled to the mountains."

"In view of the large number of reports," the military source said, "special troops from the 4th Infantry Battalion stationed in La Ceiba, Atlantida Department, were ordered to search for the guerrillas with the support of helicopter gunships."

The troops, nevertheless, have never come in contact with the guerrillas, whose existence was eventually doubted until they attacked the Americans, the source said.

The Honduran guerrillas emerged in 1979, but it was not until 1983, when urban cells began kidnapping people, attacking banks, and staging dynamite attacks, that the Army used special troops trained in jungle and mountain warfare in Olancho Department on the Nicaraguan border, to combat a rural guerrilla column.

The guerrilla column, which consisted of 96 men, was led by Honduran doctor Jose Maria Reyes, and American priest Guadalupe Carney, both of whom were killed in the jungle.

Honduran military sources have reported that the column was trained in Cuba and "tested" in combat in Nicaragua prior to returning to Honduras.

The Honduran Army's professional training is sponsored and inspired by the United States. The Army has been constantly training with American troops in joint maneuvers since 1982.

The American troops, which are stationed in various points of Honduras for maneuvers and joint exercises under combined command, have suffered two bomb attacks between 1982 and 1989, one in Tegucigalpa and another in Comayagua, and two shooting attacks, one in the city of Siguatepeque in the central part of Honduras and the other on Thursday in Yoro.

In all the attacks except yesterday's, the Americans have suffered casualties, but not fatal ones.

### Nicaragua

#### Ortega Holds News Conference in Caracas PA0202015189 Managua Radio Sandino in Spanish 1930 GMT 1 Feb 89

[Report by unidentified reporter on "excerpt" of news conference held by President Daniel Ortega in Caracas on 1 February]

[Text] As always happens during his visits to other countries, Nicaraguan President Daniel Ortega is drawing the attention of the press.

Today while conducting a tight working agenda that will not end until tonight, President Ortega was pursued by the Venezuelan and international press.

President Ortega had meetings this morning with Honduran President Jose Azcona, OAS Secretary General Joao Borna Suarez, and Cuban Vice President Carlos Rafael Rodriguez, and met at noon with Guatemalan President Vinicio Cerezo for lunch.

It is expected that a definite date for the Central American presidential summit will be announced after these meetings with the other Central American presidents.

At 1500 today, President Ortega will attend a special SELA meeting, which will also include the participation of former U.S. President Jimmy Carter. At 1900, President Ortega will meet with Spanish President Felipe Gonzalez.

Let us now listen to an excerpt of a news conference granted by President Ortega during one his activities in Caracas today:

[Begin recording] [Ortega] The experience of President Reagan and [words indistinct] from a single Latin American [word indistinct], which unanimously declared it does not agree with an aggressive policy of force and [words indistinct].

[Reporter] [Passage indistinct] Did that relation exist? Did you exchange letters?

[Ortega] I sent a message to [words indistinct] to President Bush, and I reminded him that [word indistinct] inauguration [word indistinct] President Reagan [words indistinct] of those present and there were several Latin American and European political leaders [words indistinct] Latin America [words indistinct] the relations between the United States and Nicaragua. [Word indistinct] answered my message saying he was willing to work for peace.

[Reporter] It seems that the contras [words indistinct] as a condition to [word indistinct].

[Ortega] The contras are a worn down instrument, a dead body; we only have to bury them to [words indistinct]. We always agreed with the United States that [words indistinct] the contra movement, and we believe the contras must join Nicaragua's political, social, and economic reality. We are willing to receive the contras in our country.

[Reporter] What are your conditions to receive the contras?

[Ortega] There is a valid amnesty law. The contras can return to Nicaragua without any kind of [passage indistinct]. They are doing [words indistinct] into our country. [Words indistinct] the leaders of those organizations [words indistinct] return to Nicaragua [passage indistinct], because simply that is a business for them.

[Reporter] Is it a business?

[Ortega] Yes, it is a business for them, so the continuation of the war benefits them.

[Reporter] Here we have news about the closing of some radio stations and newspapers in Nicaragua. [Words indistinct] part of the Chamorro family is with the government and part of it is with the opposition. While you are here in Venezuela with one member of the Chamorro family, there is another Chamorro who is an opposition supporter. What is really happening in Nicaragua with the media? One day they are closed and the next they are opened. [Words indistinct] the news.

[Ortega] [Words indistinct] war is Sandinism, the state decided to take [word indistinct] measures to defend institutional order. The [words indistinct] experiences in Venezuela. Here after the [words indistinct] of Perez Jimenez, you waged an armed, revolutionary struggle that had its own ideals and purposes, but always [words indistinct] that triumph [words indistinct] Jimenez. They conducted that struggle with all their strength and using all possible methods and obviously [words indistinct]...

[Reporter, interrupting] Venezuela's case was very different; the left was the attacking force here.

[Ortega] In Nicaragua, the revolution [passage indistinct] the United States. Obviously what happened is the media became an instrument of the interventionist forces and the media were therefore punished. That is what has been happening during the last few years. Despite that [words indistinct] the media were closed and opened, but after the Esquipulas agreement [words indistinct] and despite the war, there is more stability in Nicaragua, and after Reagan's withdrawal, we can say there are more suitable conditions not to order the closing of any media, although some of them continue supporting Reagan's policy. We are in fact willing to authorize the opening of more radio newscasts in our country [words indistinct] the various political parties we have in Nicaragua, which range from the extreme left to the extreme right, will have ways to communicate with the Nicaraguan population.

[Reporter] What has been the most difficult task to carry out in Nicaragua during these years? What has been the most difficult thing for you to do as president of Nicaragua?

[Ortega] I believe the most difficult task has been to achieve peace. We need peace to give stability to our pluralist regime and strengthen the system of mixed economy. That has been the most difficult of the tasks we have been conducting and the one that has most affected our economy [words indistinct].

[Reporter] What does it mean to you [words indistinct] at this very important meeting of world leaders here in Caracas?

[Ortega] Carlos Andres Perez has always been linked to Central America and its struggle. He has visited Central America and met several Costa Rican and Nicaraguan



political leaders [words indistinct]. [Words indistinct] in favor of the Nicaraguan people, and now I believe we are experiencing a historic time for Latin America that will help us advance toward the defense of [words indistinct], dialogue [words indistinct] that gets us [words indistinct] problems and that we must solve, including the Central American problem and the war in Central America. [Passage indistinct] will have to play a more active role to support the efforts of the five Central American presidents, as it is clearly established in the Esquipulas agreement and also [words indistinct] overall Latin American problem [passage indistinct] that have interests for Latin America, and it is linked to the foreign debt problem. [Words indistinct] the debt problem, international trade, and the financial situation, which are problems that must be overcome or else Latin America would not attain peace [words indistinct] democracy if [passage indistinct] social [word indistinct], rebellions, and of course that is a high price to pay for peace and independence. [end recording]

**Commander Tirado Lopez on Economic Progress**  
PA0302164989 Managua EL NUEVO DIARIO  
in Spanish 30 Jan 89 pp 1, 8

["Exclusive" interview with Commander of the Revolution Victor Tirado Lopez by an unidentified reporter; date and place not given]

[Text] [Reporter] Is it possible to reach a specific agreement between the government and the private sector on certain productive centers and other sectors of the economy?

[Tirado] Of course it is possible. It is the first big stage of the national revolution. The groundwork for economic development has to be laid so science and technology can contribute to production regardless of the economic sectors that are participating. When we reach the levels attained by developed countries, our problems will be of a different nature. We should not, however, create problems that do not exist and say we will achieve economic development by ourselves. We would be wrong if we said that. When this stage has been consolidated and then surpassed, different problems will emerge. Then we will decide whether we want socialism, capitalism, or something else.

[Reporter] Does this mean it is impossible to implement socialism under conditions of poverty?

[Tirado] Exactly. Socialism comes from wealth and development. The most important social classes must participate. We must be clear that we will not see this even at the beginning of the 21st century. We must lay the groundwork to achieve that goal. If we do not understand this, it means we are unable to understand the experiences of other countries, which tended to speed up their historic processes because they wanted to see and enjoy results. However, that is impossible.

[Reporter] The agreement proposal requires a multiclass effort. However, is it possible that in the process of struggles waged by the different groups, the lower classes—workers, peasants, etc., those essential to the FSLN's strategy—may have to live with adverse consequences for a long time?

[Tirado] I do not believe the situation will become more complicated. I will use the agrarian reform as an example. To reach an agreement with workers, we must reach an understanding. We need to determine the scope of the state's functions. We also need to determine the scope of the private sector's and workers' functions. We must establish the limits. We are going to assume the responsibilities of the workers. Workers should live comfortably. The battle we are going to wage now is a long-range one. For the time being, everything concerning economic development will demand the unity of all sectors. During times of crisis and during boom times the state will have a direct role. When will this not be the case? My bet is, when we make economic progress. (Perhaps when the state has played the role of defender of the workers' interests to the point where the workers can defend themselves). I am talking about a long-range plan. I believe today we can handle the contradictions because the main characters—the workers—are in the country; they exist. The state has an important role, and the private sector must be aware of this.

[Reporter] At the beginning of this talk you said the national unity advocated by the FSLN, which today is playing a decisive role in the Nicaraguan process, is a fundamental element of Sandinism. Would this imply that the solutions being implemented during this stage are in accordance with the FSLN and Carlos Fonseca's historical thought?

[Tirado] Absolutely. Sandinism is a doctrine of modern revolutionary thought in Latin America. I am saying of Latin America because Sandinism purports economic and political independence—that is, total independence. Since World War II, some countries on the continent have developed and are making efforts to regain economic independence. It has been very difficult because submission to the United States runs very deep and has left no room for initiatives. So we come up with our own alternative. The Sandinist doctrine conceives the unity of all Latin America. Sandinism is heading that way. Its entire strategy is designed to achieve the unity of Latin America along with its economic, cultural, and political development. There are other doctrines that reflect the same ideas. We can compare them with national liberation doctrines. These currents could be combined and would then be a contribution to cultural wealth.

[Reporter] Then, is Sandinism an expression of revolutionary nationalism?

[Tirado] Nicaragua is part of Central America, and this issue cannot be reduced simply to Nicaraguan nationalism. This same reality is pushing Nicaragua to express

itself more as a part of Central and Latin America than as a separate country. However, we should not rule out that there are other currents as important as Sandinism that actually are in agreement with the essence of the doctrine of national liberation. I am referring to total economic independence. This does not mean we are going to isolate ourselves. Nicaragua can define an economic policy as part of Central America and remain in agreement with the other countries while, for example, developing its own agricultural and industrial sectors. Economic independence is relative in the sense that we will not attain this by ourselves. Therefore, there can be no economic plan here if the entire region is not participating. The five countries should define the sector we are going to develop regardless of the political issues. Let us pick up the ruins of the Central American Common Market. Let us implement a regional integration process. This could be done. It will later bring economic independence, because when one creates the material base and attains development, one can establish his own path. Foreign aid will not come just from one country. The world is increasingly forming groups, associations, common markets, regional groups, etc. It is necessary to think in terms of complete subregions, such as Central America. Facts are forcing us to regroup. We should think in terms of a region and even in terms of a continent jointly negotiating with the large power centers. This will initiate a new concept and the end of backwardness. The main problem will not be war or military or armies. The main problem will be the economy. This will be the center of all discussions.

[Reporter] Does this mean, in another context, that the Nonaligned Movement, as a political expression of the Third World, will have a more important role?

[Tirado] It must have. The Nonaligned Movement should be unified around a key point. What will be done to attain economic development? What will be done during the last decade of this century? What will be done with the masses? What will the member countries give to their peoples? The economic issue must be discussed. The Nonaligned Movement is the most important instrument the Third World, and it has already defined a strategy called the New International Economic Order. Moreover, the Nonaligned Movement can struggle through legal means because it has been recognized and approved by the United Nations. However, the means to fully approach the economic issue have not yet been found.

**Ramirez Hopes U.S. Will Lift Trade Embargo**  
PA0202163789 Managua Radio Sandino in Spanish  
1200 GMT 2 Feb 89

[Text] Nicaraguan Vice President Sergio Ramirez recently referred to U.S. House Speaker Jim Wright's remarks to the effect that the new U.S. Administration may lift the trade embargo against Nicaragua.

[Begin Ramirez recording] The U.S. Government must take the initiative in lifting the trade embargo it has imposed on Nicaragua. The embargo is an unjust measure that has affected not only the FSLN and the government but the entire country. It has affected the private sector's import and export capability and the nation's economy. [end recording]

**Libyan Donations to Managua Neighborhoods**  
PA0302154389 Managua EL NUEVO DIARIO  
in Spanish 1 Feb 89 p 12

[Summary] The construction committee of the Nueva Libia neighborhood in Managua has received a \$2,000 donation delivered by Libyan Ambassador to Nicaragua Ramadan Mohganed Irhein to build a clinic in that neighborhood.

In addition, the Libyan people and government donated \$4,000 to Las Torres neighborhood in Managua to build a potable water system there. The diplomat also delivered another unspecified amount of money to the Tipitapa Municipality to help in the prevention of malaria in that area. He said that Libya had previously delivered \$200,000 to help the victims of Hurricane Joan.

**Exchange House Announces Drop in Dollar**  
PA0402044589 Managua LA PRENSA in Spanish  
1 Feb 89 p 4

[Summary] The Exchange House has officially announced that the dollar suffered another drop in the parallel market today. This is interpreted as a government attempt to gradually establish a single dollar exchange rate for cordobas. The announcement states the dollar is now sold at 4,500 cordobas and purchased at 4,250 cordobas—a drop of 250 cordobas.

**Telephone, Telex, Mail Minimum Rates Increase**  
PA0202185889 Managua Radio Sandino in Spanish  
1930 GMT 1 Feb 89

[Text] The minimum monthly telephone rate has increased 600 percent. The minimum monthly telephone fee will be 1,250 cordobas instead of 200 cordobas. Each telephone calling unit will cost 12.50 cordobas and a local telephone call will cost 50 cordobas. Interregional calls will cost between 150 and 225 cordobas for every 5 minutes.

Other rates are as follows: During peak hours, a 3-minute call to the United States will cost 27,000 cordobas. During discount hours a 3-minute call will cost 22,500. In addition, a 3-minute phone call to the United States during regular working hours will cost 31,500 cordobas or 36,000 cordobas, depending upon the applicable rate.

Transferring a telephone from one place to another within the same building will cost 10,000 cordobas. Transferring a telephone from one location to another

will cost 25,000 cordobas. Changes of telephone numbers will cost 5,000 cordobas. Private telephone numbers—in other words, phone numbers that do not appear in the phone book—will cost 25,000 cordobas.

In addition, installing a telephone will cost 37,500 cordobas. Reinstalling a telephone will cost 12,500 cordobas. Telex service will cost 87,500 cordobas a month. Sending registered mail inside Nicaragua will cost 150 cordobas and for outside of Nicaragua it will cost 250 cordobas. Telegrams will cost 10 cordobas a word and [word indistinct] telegram will cost 20 cordobas a word. Regular telephoned telegrams will cost 20 cordobas a word and urgent telephoned telegrams will cost 40 cordobas a word.

### Panama

**Solis Palma 'Pleased' by Stroessner 'Overthrow'**  
PA0302164289 Buenos Aires REUTER  
in Spanish 1512 GMT 3 Feb 89

[Text] Caracas, 3 Feb (REUTER)—Panamanian President Manuel Solis Palma today expressed his satisfaction over the overthrow of Paraguayan Leader Alfredo Stroessner. He also expressed reservations about the leaders of the coup d'etat.

"Personally and politically, I am very pleased with Stroessner's fall because I was his adversary and opposed his policies," Solis Palma said.

"However, he has been overthrown by another soldier," the acting Panamanian president warned.

The coup d'etat against Stroessner was led by General Andres Rodriguez, who has been charged by the United States with being involved in drug trafficking.

"Now we have to wait and see whether this change in Paraguay will open a path to true democracy, and not just pro forma democracy," Solis Palma added.

Solis Palma was appointed president of Panama by the National Assembly, which removed Eric Delvalle.

"I think that if Paraguay does not work to solve its real problems of development and welfare, this will just be another democratic formalism," Solis Palma said.

The United States does not recognize Solis Palma's government because it believes Solis Palma is a docile supporter of military strongman Manuel Antonio Noriega, who has been charged with being involved in drug trafficking.

**Solis Palma Discusses Stroessner, Caracas Trip**  
PA0402020589 Panama City Domestic Service  
in Spanish 0005 GMT 4 Feb 89

[Interview with Manuel Solis Palma, minister in charge of the Presidency, by local and foreign reporters, at the Tocumen military airport in Panama City—live]

[Text] [Solis] [Words indistinct] Stroessner. Unfortunately, [U.S. Ambassador Arthur] Davis' interference in Paraguay delayed this coup [words indistinct] but Davis' meddling resulted in the continuation of a situation which should not have continued.

In addition, I would like to wait for the results of this coup d'etat to make a judgment, because it is not just a question of Stroessner's overthrow or that similar situations will occur or even that an apparent democracy will be established; it is a question of solving the Paraguayan people's basic problems.

[Reporter] How was your trip to Venezuela, Mr President?

[Solis] It was very positive for a variety of reasons. First, we were able to commemorate 30 years of a broad and democratic political system in Venezuela, which had been through a long era of dictatorships. Second, we were able to speak with various leaders, especially of Latin American countries. We exchanged views and explained Panama's position. We did the same with the Venezuelan media.

[Reporter] [Question indistinct]

[Solis] We did not participate in the Group of Eight meeting. That was not on the agenda. They were to hold a scheduled meeting and the question of Panama's participation has not been settled. We are not [words indistinct].

[Reporter] [Question indistinct]

[Solis] I just arrived. Do not ask me [words indistinct].

[Reporter] What topics did you and Fidel Castro discuss?

[Solis] We simply discussed Panama's overall problem. We explained our view, and he simply listened. I imagine he already knows about this problem. He made his evaluation and we exchanged general ideas about Latin America's future.

[Reporter] Would you venture to say that Venezuela will become the leader of Latin American integration?

[Solis] I would not venture to guarantee that. However, I do think that Venezuela has a great opportunity to become the leader of Latin American integration. We must not forget that Venezuela has a great influence in



the Caribbean, which will be of further assistance to Carlos Andres Perez as leader of such an effort. In addition, he has very good relations with Latin American heads of state, particularly those of the southern cone. Consequently, there are very positive and favorable aspects to this possibility, but it will depend very much on how the matter is handled.

[Reporter] What is your opinion of the candidates in the government alliance?

[Solis] I have just arrived. Although I already knew about this news, I need to make an assessment with the people here. I can only tell you that it was a decision made by the political parties and I am not a part of any political party.

**Caracas Venevision Interviews Solis Palma**  
*PA0502025189 Panama City Televisora Nacional*  
*in Spanish 2339 GMT 4 Feb 89*

[Interview with Manuel Solis Palma, minister in charge of the Presidency, by Venezuelan Venevision television reporters; "shortly before leaving Caracas" —recorded]

[Text] [Solis] I am personally and politically pleased by the ouster of Paraguayan President Stroessner. I have opposed Mr Stroessner's position and the dictatorship in Paraguay since I was very young. However, the dictatorship has not disappeared there because the coup was staged by another military officer. The question is whether the changes in Paraguay will lead to development and welfare as well as to formal democracy. If democracy does not aim to solve the vital problems of each country, there is democracy in name only, not true democracy.

[Reporter] Will the situation in Panama and its democracy improve?

[Solis] The essence of Panama's problem is not well-known. There are some aspects that prevent us from fully implementing the formal democratic process. However, in Panama the members of society participate broadly. We have a program to help low-income sectors. It offers an option to the poor in our country. We respect human rights, which is quite the opposite of what is said in other countries. Perhaps democracy is being judged by the closing of some sections of the news media. This measure was taken simply to defend our nation. Those elements of the news media have undermined the Panamanian nation and our self-determination, which are basic to us. These groups openly obey and carry out the orders of the United States, which unfortunately are against our interests. Thus, a conflict has broken out between a very powerful country—the United States—and a country that has maintained strong ties with the United States in the past, that greatly depends on the United States economically, and that is heavily influenced by U.S. culture; this has naturally led to an international campaign by the United States that distorts the truth about

Panama. I would like to invite Venevision to walk the streets of Panama, to visit the rural and urban areas to see whether or not the people enjoy freedom.

[Reporter] Will Noriega leave or not? Is that an important point? Former U.S. President Jimmy Carter is very concerned about the situation in Panama. He has been meeting to discuss Nicaragua and has met with you to discuss the canal problem, to ensure that the canal treaties are complied with, and so on. As a result, U.S. Vice President Quayle criticized Carter's personal comments. Please comment on those important meetings.

[Solis] We exchanged views in those meetings; I briefed them on the situation in Panama, because they are especially interested in that. I met with Guatemalan President Vinicio Cerezo two or three times. I talked to Ecuadoran President Rodrigo Borja. I met with Alan Garcia, and other presidents. We told them about the reality in Panama and learned about the situation in their countries and about their views on our country, government, and the upcoming elections. They wonder what Gen Noriega will do; he has been mentioned in all our conversations. First, I told them that Gen Noriega will not be a candidate, despite all that has been said. He has made that decision. Besides, it is up to the political parties to select the candidates. Second, I have been told about Carter's interest in finding a solution to Panama's problem. However, he lists a series of prior conditions. In this regard, we want to state that we have no objection to discussing the rules of the electoral game or Panama's democracy. Yet, we cannot be told what we must do at home, such as removing Gen Noriega, naming some other person, doing this thing or that thing. Those are Panama's domestic affairs. I would like to ask any country the following: if, say, tomorrow a president is ordered to remove the Army chief and name some other person, would that country not feel offended?

[Reporter interrupting] ...But (?he is the Army chief); he is Panama's strongman.

[Solis] But Noriega's strength does not lie only in his post as chief of the Army. He is also a political leader. He cannot be blamed for that.

[Reporter] He will not be a candidate?

[Solis] No, he will not.

[Reporter] [Question indistinct].

[Solis] The political parties have already selected their candidates. The parties that support the Panamanian regime have chosen their presidential candidates and Gen Noriega is not among them.

[Reporter, interrupting] Does this mean, Gen Noriega will last a long time, and President Solis will last a long time too?

[Solis] No, because the elections will be in May. The government changes hands on 1 September. So Solis will not last a long time, only until 30 August or 1 September. Gen Noriega's position will depend on what the Panama Defense Forces [FDP] decide, based on their own charter, which is Law No 20. The FDP will make the decision based on its and the nation's interests.

What I want to stress is that the Panama Defense Forces [FDP], more than General Noriega himself, are today one of the fundamental forces defending Panama's nationality. That is vital for us. That is the relationship that exists between the Executive Branch and the FDP. We are all struggling for a common cause, for the existence of Panama as a nation. Our dilemma is clear: either we liberate the country and become a nation, or we become a colony—with the broadest democracy in the world—but not a nation. We want to be a nation and we want to be democratic.

[Reporter] Perhaps Julio Cesar over there has a question?

[Julio Cesar] The news we have is that Carlos Duque is the presidential candidate of the Democratic Revolutionary Party [PRD], which is the government party in Panama. The question many are asking this morning is if he has the support of the strongman of Panama?

[Solis] I cannot answer that question, because I have not talked to General Noriega. It is a PRD decision that both Gen Noriega and myself have to accept. We are not going to impose candidates. Of course we can prefer one candidate or another, but the decision depends on the party. The PRD, the majority party of the government alliance that supports the Government, that supports the revolutionary process of Panama, should logically head the ticket, as in the case of Carlos Duque who is the presidential candidate.

[Julio Cesar] Then what becomes of Eric Arturo Delvalle?

[Solis] Eric Arturo Delvalle was removed according to the constitutional laws of Panama, following the same procedures that put him into the Presidency. When Mr Eric Arturo Delvalle assumed the Presidency as first vice president, that was in keeping with the Constitution. Eric Arturo Delvalle was deposed by the Legislative Assembly for violating Panamanian laws and, above all, for using as an argument to remove Noriega—which was not legal under Law 20, which he cited—the fact that legal proceedings had begun against Noriega in the United States. How can we be guided on what is proper for Panama by foreign courts, and, particularly, those in the United States with whom, unfortunately, we have conflicting positions and interests?

[Julio Cesar] President Solis Palma, the Panamanian opposition has always said that the coming May elections will be an electoral fraud. I would like to know your

opinion on this. Will it really be ...[rephrases sentence] are you optimistic that these will truly be free elections? Will Gen Noriega accept the candidate or the president that will emerge from the elections, since he is not one of the government party candidates on the presidential ticket?

[Solis] Of course, I know that yesterday Gen Noriega sent a congratulatory note to President Perez, repeating that the elections will be respected. But I can even add more. As president of the Republic, I abide by the national principle of respecting the results of the elections. What is happening is that the Panamanian opposition is creating a very comfortable situation for itself. If they lose the elections, they were fraudulent. If they win, it was despite the fraud. On those terms we cannot win, and unfortunately the United States has global power over information and disinformation, which is much greater than that of a small country, such as ours.

[Julio Cesar] From what you are saying, you did not see Quayle?

[Solis] What?

[Julio Cesar] You did not see Vice President Quayle?

[Solis] No, I did not see him. Of course, he did not want to see me and I am not going to seek out someone who does not want to see me.

[Julio Cesar] How did it go with Fidel and Ortega?

[Solis] Very well. We have always exchanged views in a very open-minded manner. As one speaks to Fidel, one finds a truly extraordinary level of maturity; he is different from the Fidel of the early years of exporting revolutions, etc. He sees Latin American and world problems as a much more integrated concept, a much more humanist concept, and more democratic.

Ortega has always had the same extraordinary ability to handle a situation as difficult as the one in Nicaragua. Everytime one speaks to them, regardless of the fact that I am older than they are, one acquires an immense amount of experience and there is not enough time to learn.

[Julio Cesar] At least enough to learn how to stay in power, because one has been in power for 30 years and the other at least 10.

[Solis] Yes, of course, and they do so very capably and are looked on favorably by their own countries and other countries that are friendly and have close relations with them.

[Julio Cesar] Mr President, thank you for your statements.

**Minister in Charge of Presidency on Democracy**  
PA0402044089 Buenos Aires REUTER in Spanish  
0337 GMT 4 Feb 89

[Text] Caracas, 3 Feb (REUTER)—Panamanian acting President [title as received] Manuel Solis Palma admitted today in Caracas that democracy in his country is not perfect.

"In Panama there are some aspects in which the formal democratic process is not being fully complied with," Solis Palma said.

He specifically mentioned the sections of the media that were closed by the Government following the political crisis last year that lead Solis Palma to the Presidency.

"They are elements of the media that have acted against the Panamanian nation," he noted, adding, "They are groups openly responding to the U.S. instructions, which are contrary to our interests."

Solis Palma attended the inauguration of Carlos Andres Perez. This invitation implied the formal recognition of his government.

The United States does not recognize the government of Solis Palma who replaced Eric Delvalle after a decision made by the National Assembly, which Washington considers to be manipulated by [Panama Defense Forces commander in chief] General Manuel Antonio Noriega.

The Reagan administration has confronted Noriega, its former ally, for his alleged links to drug trafficking. The Panamanians however, claim to be the victims of aggression from the United States, which they believe, is looking for a pretext not to comply with the treaties that oblige the United States to return sovereignty over the Panama Canal to Panama.

"Our dilemma," Solis said, "is very clear: we either liberate the country and have a nation, or become a colony with the broadest democracy possible [as received]. We want to be a nation and be democratic."

In Caracas, Solis met with several regional leaders—Guatemalan President Vinicio Cerezo, Ecuadoran President Rodrigo Borja, and Peruvian President Alan Garcia, among them—but he was unable to end the suspension imposed on Panama by the Group of Eight.

"Panama would love to continue having the best relations with the Group of Eight," he conceded, and added, "We created that group."

The group was formed after efforts of its member countries to negotiate peace in Central America—efforts that started on Panama's Contadora Island in the early eighties.

**Paper Reports Shooting of U.S. Soldier**  
PA0302235489 Panama City CRITICA in Spanish  
3 Feb 89 pp 1, 29

[Text] A U.S. soldier was wounded with U.S. Army ammunition during a tactical exercise at Fort Sherman. The circumstances in which the soldier was wounded are unknown.

According to reports, the soldier with the bullet wound has been identified as 28-year-old Juan Brite, Social Security No 4673-192.

According to a source, the shootout occurred among U.S. military men outside the training area.

Brite was taken to Gorgas Hospital by Mount Hope (Monte Esperanza) fire brigade members.

Panama City, 2 Feb (ACAN-EFE)—The U.S. Army Southern Command, with headquarters in this capital [as published], reported today that a U.S. soldier stationed in Panama is in "critical condition" as a result of a wound inflicted with a shotgun [as published] fired by "an individual believed to be a hunter."

Second Class Sergeant John C. Brite, 28, from the Special Forces' A Company, is now at Gorgas Hospital, a U.S. military hospital in the Panamanian capital [as published]. Brite has undergone general surgery, the Southern Command communique reports.

According to the Southern Command, Brite's patrol was on a "night exercise" in an area where "there are usually hunters." Members of his unit have said they saw "a person with a shotgun and a flashlight that was turned on" walking along a path.

"Suddenly," the communique adds, "the person became frightened and fired one shot in the direction of Sgt Brite, approximately 15 meters away, wounding him in his scalp, left temple, chest, and thigh."

This occurred in the proximity of Fort Sherman, on the Atlantic coast of Panama.

The communique notes that after surgery, Brite "had a heart attack and is now in critical condition." The communique states the alleged hunter fled after firing the shot.

Brite was born in Louisiana and has been stationed in Panama since September 1988, according to the Southern Command, which has approximately 13,000 soldiers stationed near the Panama Canal.



**FDP Denies Responsibility**

PA0302235689 Panama City Televisora Nacional  
in Spanish 2307 GMT 3 Feb 89

[Text] Ranking officers of the Panama Defense Forces working in the Combined Board and the Joint Committee have refuted reports appearing in the media stating that U.S. soldier Sergeant John Brite was wounded by a firearm allegedly fired by a Panamanian hunter. The incident took place during military exercises at Fort Sherman, in the Atlantic sector.

This information is absolutely false and we categorically deny the report, our Panamanian military informants told us. They added: This is another incident in which U.S. soldiers are wounded during military training, usually through the lack of experience, or confusion and carelessness of their own units.

It was confirmed this morning that Sgt Brite died as a result of his wounds.

**Foreign Minister Comments on Venezuelan Trip**

PA0402014489 Panama City Domestic Service  
in Spanish 0015 GMT 4 Feb 89

[Interview with Foreign Minister Eduardo Ritter by Radio Nacional News Director Eduardo Martinez Fernandez at the Tocumen military airport in Panama City—live]

[Text] [Martinez] Eduardo Martinez for Radio Nacional. We would like you to give us a summary of your visit, together with the president, to attend the inauguration ceremony of Venezuelan President Carlos Andres Perez—especially about contacts held with other foreign ministers.

[Ritter] I believe all encounters between presidents and ministers are positive, because they propitiate the opportunity to exchange opinions about various international or bilateral topics. It is always useful to attend these meetings. Panama was given this opportunity, and I believe we took full advantage of it.

[Martinez] Were any contacts made on the Group of Eight topic?

[Ritter] No, it was not in the Group of Eight's agenda and it was not in the schedule we had programmed [words indistinct].

[Martinez] Thank you, Mr Foreign Minister for your words to Radio Nacional.

**Duque Outlines Political Opinions for Columnist**

PA0602012489 Panama City LA REPUBLICA  
in Spanish 5 Feb 89 p 1-B

[Reprint of letter from Carlos A. Duque, presidential candidate of the National Liberation Coalition, to "Political Arena" columnist Baltazar Renan Aizpurua, dated 21 December 1988]

[Text] Esteemed fellow party member and friend:

It is my pleasure to express to you our recognition of the patriotic and nationalistic approach you have taken in your many comments on local and international political events in your widely read newspaper column.

Having noted the questions you asked us in that column and considering the importance of the topics you broached, I consider it my duty to express certain personal opinions regarding those questions. Undoubtedly, many of the subjects to which you refer have received my attention, and I have publicly expressed my criteria and viewpoints on them.

As for the strategy Panama should follow in its foreign relations to reinforce its national liberation, we must state as a matter of principle the need to maintain and consolidate a nationalist, nonaligned, and Third World position. The threats to our sovereignty and the Panamanians' duty to build a true national state inexorably place us in the position of choosing between strengthening our national character or becoming a colony. Fortunately, our people have no calling for submission.

As for the possibility of dialogue with the traitors you mention, we believe that within the institutionalization of a dialogue among all national sectors, there is room for all Panamanians. Regrettably, if the people to whom you refer are traitors to the fatherland, they would have disqualified themselves, because they do not meet the requirements of nationality reserved for those who believe in this country.

Alliances, being political unions among different parties, are always temporary and circumstantial. They are established in specific political circumstances. In the Panamanian case, a political alliance is possible as long as there are specific and well-defined objectives. In the present historical crossroads at which we find ourselves, as political authors and actors, any alliance must be considered from the viewpoint of a permanent defense of our status as an independent and sovereign state, ruling out all concessions in matters of principle affecting the goal of national liberation. Such alliances—this must be made clear—should not distort each party's ideological platforms and principles.

Regarding the government plan needed to consolidate our economic and political independence, we must start with the premise that in our country there has been a high level of dependence on the dictates of the U.S.

Government's economic policy. This has greatly restricted our own development options. Today we have to face our developmental alternatives autonomously. To this end, in view of our recent experiences, we must draft government plans that promote our interests in matters such as the negotiation of our public debt, and we must diversify our sources of foreign financing and cooperate in actions that increase our trade with all countries.

In answer to your question about whether or not our Panama Defense Forces [FDP] should be sidelined from national life and should retreat to the garrisons, I must state that in a pluralistic society, it is unacceptable for there to be criteria that keep any groups from participating. The FDP is a concrete expression of national life, and as such, it should participate. The National Constitution has already established rules of conduct for those forces within the Panamanian state. There is a political maxim in Latin America—we do not exaggerate when we say it is also applied throughout the world—that one can rule with the Armed Forces or without the Armed Forces, but never against the Armed Forces. To attempt this would be to follow an almost insane political policy.

In short, the three qualities that should characterize a president of our country are nationalism, defense of the interests of the poor, and honesty.

You ask me how I think Panamanian democracy should be implemented. The transition toward a true democratization is not limited to the existence of political parties and the holding of elections; it also includes updating the formulas of social representation, with a democratic culture that will take root in our national territory and reaffirm the values that have characterized us as a nation.

The topic of the military bases is related to the provisions of the Torrijos-Carter treaties. Today it is more important than ever that, beginning on the 1st day of the 21st century, only the Republic of Panama will administer and defend its canal, without the participation of any foreign army. The military bases must have the limited existence the treaties prescribe. In such circumstances, there is no room for the establishment of new military bases in Panama or for an extended existence of already existing bases.

Any plan of national education must preserve the essence of our nationality. Such a plan must seek to reinforce the demand for a participative society, considering that Panama has a predominantly young population that requires answers, and that it needs economic development to provide such answers and meet our people's most urgent needs.

Finally, we must say, in answer to your last question, the basic criteria for choosing a presidential candidate from among the rank-and-file Torrijists of the Democratic Revolutionary Party [PRD] and outside that group is the

political consensus that can exist as to whether that candidate represents the traditions of Panamanians' nationalist and patriotic struggles, and whether the candidate can guide the country's destiny with the criteria that there can be no democracy without participation by the people.

I reiterate to you my personal affection and esteem.

Yours truly,

Carlos A. Duque, PRD president

**PPA Faction Selects Nicosia as Candidate**  
PA0602012889 Panama City ACAN in Spanish  
2022 GMT 5 Feb 89

[Text] Panama City, 5 Feb (ACAN - EFE)—A faction of the Authentic Panamenist Party (PPA) of Panama that claims to support neither the government nor the opposition today selected attorney Hildebrando Nicosia as its presidential candidate for the 7 May elections.

Seventy-one-year-old Alfonso Manuel Diaz and PPA Legislator Emiliano Ponce were chosen to be the vice presidential candidates.

The PPA, the main group that has opposed the regime of General Manuel Antonio Noriega until the death of its historical leader Arnulfo Arias Madrid, split into two factions in the wake of Arias' death on 12 August.

The other faction, which is headed by Dr Guillermo Endara and supported by Arias' widow, remained in opposition and established together with two other political groups the Civic Democratic Opposition Alliance (Civic ADO), an electoral platform headed by Endara.

Observers of Panama's political scene believe Nicosia split the PPA to create a rift within the opposition and reduce support for Civic ADO, which is the main electoral opponent of the National Liberation Coalition (COLINA), a group of forces supporting Gen Noriega.

Those who maintain this opinion base it on the fact that courts' grant legitimacy to Nicosia's PPA faction and deny it to Endara and his followers, forcing the latter to run in the elections under another group name.

The selection of Nicosia as presidential candidate was unanimously approved today by 200 representatives who attended a PPA convention.

After his selection, Nicosia said that "we have always struggled against civil and military oligarchies," and he reaffirmed his party's "independent" position.

The presidential candidate said PPA leaders will insist on the "unity and fraternity" of the Panamenists.

Hildebrando Nicosia (PPA) will compete against Guillermo Endara (Civic ADO) and Carlos Duque (COLINA) in the 7 May presidential elections.

In the previous 7 May 1984 elections, the PPA earned 221,335 votes and rejected the electoral results, claiming that the victors, who were followers of General Omar Torrijos and won the official results by 1,713 votes, had resorted to fraud to win.

**CDI Calls for 'Democratic Regimes' in Region**  
PA0402003289 Panama City ACAN in Spanish  
2127 GMT 1 Feb 89

[Text] Panama City, 1 Feb (ACAN-EFE)—Christian Democratic International (CDI) today approved several resolutions on Latin America, all of which demand that the continent's countries have democratic regimes—especially Chile, Panama, Nicaragua, and Haiti.

The CDI reaffirmed "its deep satisfaction of the resounding no victory" in the 5 October referendum held in Chile.

In its resolution, the CDI's political bureau called on the Chilean opposition forces "to maintain unity" in the upcoming 1990 elections and "firmly supported" the constitutional reforms that attempt "to eliminate the authoritarian traces in the text of the 1980 constitution."

The CDI gave its enthusiastic support to the Panamanian opposition. The resolution demanded that the regime maintain "an impartial attitude" in the upcoming electoral process, protested "the frequent human rights violations," and deplored "the attacks against freedom of expression and the closing down of media."

The CDI requested that such procedures "end" and stated these procedures "have greatly damaged Panama's image in the international community" and resulted in Panama's separation from the "Group of Eight."

The resolution added that the CDI "noted that the military leadership, headed by General Manuel Antonio Noriega, has intervened in politics and distorted the Defense Forces' national functions" in the country.

Regarding Nicaragua, the CDI stated President Daniel Ortega's call for elections in November 1990 "is not enough unless the opposition's demands are met" for "clean and honest" elections.

The CDI also demanded that the Sandinist government "respect human rights," enact a "total amnesty," agree to a cease-fire, call for a "national dialogue," and grant "unrestricted freedom of expression."

In another resolution, the CDI reiterated its condemnation of the coup d'etat that toppled former General Henri Namphy and demanded that General Prosper Avril "fulfill his promise to move the country toward democracy."

The document urges the Haitian Government to respect human rights and asks the international community to "pressure the de facto regime" of this country to fulfill the democratization process.

Finally, the CDI "hailed the sustained consolidation process of the democratic system" of Bolivia, which the people of that country are defending "with exemplary courage and sacrifice."

**Coordinating Board on '13-Month Bonus' Issue**  
PA0402044389 Panama City Circuito RPC Television  
in Spanish 2300 GMT 2 Feb 89

[Text] The Coordinating Board of State Agencies' Unions this afternoon held a news conference to voice its position regarding the payment of the 13th-month bonus.

Its secretary general, Marcos Moscoso, said the organization is aware of the seriousness of the crisis facing the state and the nation. However, it categorically rejects any imposition that would further worsen the situation of public employees, such as a reduction in salaries, because there are other ways to tackle the crisis.



**Argentina**

**Caputo Shows 'Cautious Optimism' on Paraguay**  
PY0302143989 Buenos Aires NOTICIAS  
ARGENTINAS in Spanish 1420 GMT 3 Feb 89

[Text] Caracas, 3 Feb (NA)—Argentine Foreign Minister Dante Caputo showed cautious optimism here today at developments in Paraguay that took him by surprise on the last day of his visit to Venezuela.

"Apparently the church is happy. Some sectors of the opposition have approached General Andres Rodriguez, and drug traffickers have been arrested," said Caputo on first evaluation of the event.

Caputo made these comments without making a definite statement, just before 0800 (1000 Argentine time), [words indistinct] of the meeting of the Group of Eight today.

**Note Stresses Democracy**

PY0402223589 Buenos Aires TELAM in Spanish  
1915 GMT 4 Feb 89

[Text] Buenos Aires, 4 Nov (TELAM)—The Argentine Government has expressed its satisfaction at the remarks of the new Paraguayan president, General Andres Rodriguez, who said that he was for democracy, human rights, the establishment of a free and pluralistic political system, and the strengthening of relations with democratic countries.

In a note delivered by the Argentine Ambassador in Paraguay to the Paraguayan foreign minister, the Argentine Government stated that it has been "closely following the developments in the fraternal nation and has taken notice of the installation of the new government, its purposes and public messages, and the composition of the cabinet."

In this note, which was leaked this afternoon, the Argentine Foreign Ministry reasserted its conviction that "the support of democracy is the basis for an effective Latin American integration, and in this regard the Argentine Government will continue supporting, while abiding by the principle of nonintervention, the efforts of the fraternal people of Paraguay toward the attainment of their total self-determination, thus joining the democratic nations that believe in the integration that now prevails throughout our region."

**Central Bank Orders Bank Holiday 6 Feb**  
PY0502234089 Buenos Aires TELAM in Spanish  
2328 GMT 5 Feb 89

[Text] Buenos Aires, 5 Feb (TELAM)—The Argentine Central Bank tonight announced that "in compliance with directives of the Economy Ministry, a bank holiday has been ordered on Monday, 6 February 1989."

In a communique, the Central Bank made it clear that "despite the bank holiday, the appropriate pension and retirement payments will be made."

**Morgue Housing Terrorists' Bodies Fired Upon**  
PY0302123189 Buenos Aires NOTICIAS  
ARGENTINAS in Spanish 1213 GMT 3 Feb 89

[Text] Buenos Aires, 3 Feb (NA) - A group of unknown people riding in a light-colored Renault-18 last night fired at the building of the judicial morgue, near Via-monte and Jose E. Uriburu Streets, where the bodies of the terrorists who were killed during the attack on the military unit in La Tablada are stored.

This incident occurred at 0445 and took the police guards posted at the building by surprise, but they nevertheless managed to repel the attack with their weapons.

The judicial morgue is being guarded on court orders by personnel of the 5th district of the federal police. A patrol car and an armored car have been posted there.

The attackers' car drove along Uriburu Street, and as it passed the judicial morgue it slowed down and the occupants opened fire. There were no casualties and nobody was wounded among the personnel on guard.

Immediately after the attack, the Federal Police deployed personnel throughout the area, but so far the attackers, whose car sped away at high speed toward the Almagro neighborhood, have not been caught.

It was reported that the police patrol car tried to chase the attackers' car, but after several blocks, the police lost the trail.

**\* Gassino To Respond Harshly to Rebellions**  
33480094d Buenos Aires AMBITO FINANCIERO  
in Spanish 3 Jan 89 p 9

[Text] General Francisco Gassino, who had promised "deeds and not words," says something practically every day, apparently under the pressure of the circumstances. The chief of the Army General Staff yesterday denied that a military crisis like the Holy Week or Villa Martelli ones could occur again, but he warned that if that should happen again, "I will act with maximum harshness."

The statements by the head of the Army were made on this occasion to the daily LA VOZ DE SAN FRANCISCO, of the city by that name in Cordoba, in keeping with the custom established by General Caridi of selecting his interlocutors in the press. Referring to Colonel Mohamed Ali Seineldin, he stated that "at this time he is in the custody of military justice authorities, and the normal procedures dictated by these authorities will be followed."

"I do not believe that events similar to those of Holy Week or Villa Martelli will be repeated, because if it were already accepted that situations of that nature were going to be repeated, I would have to admit failure in obtaining my primary objective, which is to achieve the unity of the Army," said Gassino. He went on to emphasize that "if such an unfortunate case should occur, I will act with maximum harshness."

In the first opinion he has expressed publicly on the past crisis (his brief daily statements have to do with the restructuring of the force), the military leader asserted that "they are very optimistic, however, about obtaining unity in the Army. Moreover, all members of the force will contribute to that objective, without making any distinction regarding the way each one of them thinks."

With respect to the influence of the media on the situation within the military, Gassino said that "we will feel very satisfied the day when everyone forgets about us and remembers only that the Army exists to defend our sovereignty, and to be used only when the political branch so determines."

#### Conflict

Along other lines, he differed with those who deny the existence of contingency plans for conflicts, pointing out that "the overall examination of the situation that is the responsibility of the Defense Ministry is something real, something concrete; so those who say that there are no contingency plans for conflicts do not want to accept reality."

As for the budget, the military chief indicated that "the more favorable it is, the more it will allow us to develop with greater prudence; but I think that is a decision for the political authorities to make, and I respect it and will abide by that decision in terms of whatever it implements and orders."

Gassino continued by saying, "In my objective of uniting the Army, I am merely obeying the Constitution and the law. If we did not face that great objective as a united Army, we would not make much of a contribution to its achievement." He went on to point out that "for this reason, I have focused on internal matters, on the unity of the Army, without making distinctions of any sort. And for this reason, I have undertaken and adopted measures that encompass all sectors, to achieve the unity that will undoubtedly bring tranquillity to the Army and therefore to the nation."

He added that "this aspect is very important, because in a country where there is no tranquillity and no stability, there is no contribution to internal peace, which is one of the fundamental aspects of the preamble to the Constitution."

The Army chief of staff indicated that "there should be no talk of reinserting the Army in society, because the Argentine Army is part of it, and if at some point it adopted a position or had to fulfill functions beyond its specific purview, that is a question of circumstances."

In another part of his statements, Gassino asserted that "first we are going to impose on ourselves respect for the citizenry, as should always be the case, but at the same time, we humbly and prudently ask that the respect we give them be reciprocated properly." The head of the Army General Staff recalled that "from a very young age I have been mindful of the saying that man is master of the words he refrains from saying and slave to the words he says. I believe that the less one talks, the more freedom of action one has to carry out one's objectives."

**\* Effect of U.S. Stance on GATT Discussed**  
33480094a Buenos Aires *AMBITO FINANCIERO*  
in Spanish 3 Jan 89 p 6

[Article by Aldo A. Dadone]

[Text] Discussions are going on in the General Agreement on Tariffs and Trade (GATT) regarding the distortions of world trade caused by the agricultural policies of the most developed countries.

The Americans insist that the EEC should agree to gradual reductions in the subsidies it grants, until they are completely eliminated by the end of the century. Given the very effective lobbying of U.S. politicians by farmers, this commitment is the only key the government can use to stem the flow of funds out of its treasury in the form of farm subsidies.

The European representatives, on the other hand, do not want to take on such an obligation. They base their position on feeble economic arguments, but the underlying reasons are political (the farm vote), and are just as well-founded as the Americans' reasons.

In view of this attitude, there is a range of possible agreements that could be evaluated during the current round of GATT talks. In the majority of cases, however, the elimination of the current subsidies should be accompanied by the creation of other new ones, this time aimed directly at farmers, to make up for the loss of income. From the fiscal standpoint, these new outlays would be much larger than the current ones.

The fact is that in the more developed nations, current farm subsidies do not come exclusively from the government's coffers; a high percentage is paid by consumers in those countries, through prices that are well above those prevailing on the international market. As can be seen in the table, the costs of the subsidies, adding together what the government and consumers pay, are significant in absolute terms, and exceed by far what is actually disbursed by governments.

**Annual Costs of Farm Subsidies (\*)**  
(In Billions of Dollars)

|       | 1980 | 1985 | 1988 |
|-------|------|------|------|
| EEC   | 45   | 80   | 90   |
| U.S.  | 25   | 75   | 75   |
| Japan | 20   | 50   | 65   |
| Total | 90   | 205  | 230  |

(\*) Includes direct and indirect subsidies by governments and higher costs paid by consumers. Source: Our own estimates.

This explains why it is not easy for some of them to abandon their complex agricultural policies, which include tariffs or virtual bans on imports, price fixing, and subsidized foreign sales of surpluses generated domestically by these very policies. The usual reasoning is that if they are compelled to eliminate the current regulations, to keep their farmers' income up, they will have to use fiscal resources to pay what is necessary in order to replace what the farmers now receive thanks to the high price paid by their fellow citizens. Moreover, they must also replace the amounts that government agencies are receiving from the sale of surplus goods on international markets. Although the prices paid by third countries are often a third of their costs, in fiscal terms, they do help some.

The flaw in this reasoning is that the adjustment is viewed as a static situation in which farmers and all other factors involved will simply stop working and sit down to wait for the monthly subsidies. The logical outcome is a reallocation of resources; they will leave a sector that is inefficient, in terms of international prices, to go to other, more productive activities. This would result in a decrease in chronic unemployment and an increase in national revenues. International organizations estimate that in European countries with large farm sectors, this increase would amount to 3 percent of the GDP.

In addition to the earnings for developed countries, however, this move would also favor those that produce this kind of product, like our country. In this regard, rarely has there been such a great confluence of interests between Argentina and the United States. If Washington is successful, the strong pressure it is exerting on the Europeans will undoubtedly benefit us.

From our perspective, there is no doubt that the developed countries can hardly demand that the highly indebted nations pay their financial obligations when they are not only denying these economies access to their products, but are also dumping goods on the markets of third countries with the surpluses they generate. Thus, the effort required of the developing nations is much greater.

**INDEC Announces Trade Balance Surplus**

PY0202172789 Buenos Aires Domestic Service  
in Spanish 1500 GMT 2 Feb 89

[Summary] The INDEC [National Institute of Statistics and Census] has reported that the Argentine trade balance surplus in the first 11 months of 1988 totaled \$3,016,000,000.

**'Bahia Paraiso' Sinks in Bismark Strait**

PY0202152989 Buenos Aires TELAM in Spanish  
1500 GMT 1 Feb 89

[Text] Buenos Aires, 1 Feb (TELAM)—Last night, the polar ship "Bahia Paraiso" sunk in the Bismark Strait, near Ambers Island. Its crew and officers were evacuated to ships that came to the rescue.

The Argentine Navy press office has reported that the "Bahia Paraiso" ship, which ran aground, had been listed since 28 January in the Antarctic. It began to sink after 0000 GMT. The ships that arrived in the area to assist the "Bahia Paraiso" were unable to help with the rescue because of prevailing weather conditions.

The Navy communique states that no one was injured since the entire crew was taken [words indistinct].

Late last night, the Navy confirmed the deterioration of the critical situation of the "Bahia Paraiso." This was confirmed by the message that had been sent by the commander of the ship. Strong winds of between 30 and 40 knots (approximately 80 km per hour) were blowing in the area. Later in the day specially trained personnel from the Puerto Belgrano Naval base arrived in the area to reinforce the rescue mission.

**\* Petrochemical Sector Shows Strong Growth**

33480094c Buenos Aires AMBITO FINANCIERO  
in Spanish 3 Jan 89 p 6

[Article by Raul E. Garcia]

[Text] The petrochemicals sector has expanded significantly in the last few years. The level of exports went from \$127 million in 1986 to \$500 million in 1987, and together with the chemicals sector accounted for approximately 25 percent of nontraditional exports.

The prospects of the sector in our country appear optimistic, given that major investment projects are being considered. Plans call for investments totaling around \$2.5 billion over the next 5 years, and several of these plans, as in the case of investment in the Neuquen Petrochemical Center, project exports of at least 50 percent of production. In the context of expanding exports, competition with other international producers requires comparative advantages in some areas of costs to offset, for example, the transportation factor, given Argentina's location in relation to the most important consumption centers in the world.



As the economy opens outward and import tariffs decline, it is important for the petrochemicals industry's price and cost conditions to reflect the international situation, especially since this sector buys many of its inputs from the energy sector, which is highly regulated.

#### Prices of Inputs

The petrochemicals sector has traditionally obtained the hydrocarbons it uses as inputs at prices that are lower than the respective withholding values (prices to the producer) set by the Energy Secretariat. Resolution 105 of May 1988 established a price system for the hydrocarbons used as petrochemical inputs that continued to yield a value lower than that corresponding to the withholding for the refiner (the price received by the supplier of Government Oil Deposits itself, as well as Shell, Esso, etc., and State Gas).

The difference between the petrochemical price and the withholding value (when the former is less) is compensated by the suppliers of the input by means of the tax on fuels, which reduces the revenues earned by the Treasury and its revenue sharing with the provinces. Nevertheless, an innovation of Resolution 105 was that it set the petrochemical price by applying a rule agreed upon in advance. This rule, in general terms, consists of establishing the value of the input as the lesser of what it calls the petrochemical withholding value and a reference value. The latter is related to the international FOB value of the input, multiplied by a coefficient (K), which varies, for example, if the buyer is an established petrochemicals firm or a new one (the value is lower for the latter).<sup>1</sup>

An example will serve to illustrate how the petrochemical price is determined. The petrochemical withholding value for straight gasoline is \$198 per ton, and the reference value for existing plants is \$103 per ton (Resolution 620, October 1988). The petrochemicals firm pays \$103 (the lesser of the two, which is the petrochemical price), and the refinery receives \$198, taking the difference of \$95 per ton directly out of the fuels tax it receives from other buyers. Consequently, the compensation represents 48 percent of the withholding value for gasoline. For butane, on the other hand, the figure is 65 percent.

It is estimated that the annual amount of compensation for the principal inputs (straight gasoline, propane, butane, and ethane) is about \$128 million. Of this total, 57 percent corresponds to straight gasoline and 21 percent to ethane, amounting to 78 percent of the total.

Obviously the impact of the compensation varies according to the input needs by type of petrochemical product (urea, polyethylene, etc.). It is clear that the fact that the price of the petrochemical input is the lesser of two values limits the variability of prices for the sector. This plan represents an insurance policy that guarantees the price of inputs, but it entails a fiscal cost for the state.

How much of this compensation represents a subsidy for the suppliers of inputs and how much goes to the purchasing businesses depends on the costs of obtaining supplies from alternative sources (importing, for example, with the transportation costs that this implies). To be sure, under the plan contained in Resolution 105, the fiscal compensation could be zero if the reference value is higher than the withholding value. When the opposite happens, fiscal funds must necessarily be used, with the amount of such funds varying according to how close the two values are. This could only happen in the context of the total deregulation of the energy sector.

#### Footnote

1.  $K = 0.9$  for existing plants in general and 0.8 for a new plant producing basic petrochemicals, for example. In addition, for petrochemicals plants that are installed in gas-producing areas and that use the rich components obtained from this gas (propane, butane, etc.), an additional discount of 25 percent of the petrochemical price is provided, for the purpose of offsetting transportation costs. Moreover, the resolution establishes price ceilings in the negotiations for supplying inputs to new plants.

#### Bolivia

**Foreign Minister on Paraguayan Coup**  
PY0302145189 Madrid EFE in Spanish 1418 GMT  
3 Feb 89

[Text] Caracas, 3 Feb (EFE)—Bolivian Foreign Minister Guillermo Bedregal today expressed confidence that after the coup that toppled Paraguayan President Alfredo Stroessner the democratic transition in that country will proceed without violence.

Minister Bedregal pointed out that the events in today's predawn hours in Asuncion mark the end of an era that will finally be judged by history.

The Bolivian political leader said that according to information he had received the ouster of Stroessner should give way to a pluralist democratic process in which human rights will be respected and the Army and the church will be in agreement.

Bedregal added that the authoritarian model Stroessner had imposed in Paraguay for decades was worn out.

He pointed out that from the standpoint of bilateral relations, Bolivians have always had a "great and fraternal affection for Paraguayans."

The Bolivian Foreign Minister said that he wished Paraguay a transition without traumas and violence that "will begin an era of dialogue for the building of democracy, which is the best lifestyle for Latin America."

**Congress Approves 1989 National Budget**  
*PY0202125789 La Paz La Red Panamericana*  
*in Spanish 1130 GMT 2 Feb 89*

[Text] Last night the Senate approved the national budget proposal for 1989, which amounts to 7,299,000,000 Bolivian pesos. Finance Minister Ramiro Cabezas was attended the regular session to answer any questions by the senators on the content of the 19-point proposal, which has already been approved by the Chamber of Deputies.

The Senate approved the proposal sent by the Chamber of Deputies without making any changes. The Economic Commission of the Senate and of the Chamber of Deputies participated in the preparation of the original plan, which was originally submitted by the Executive Branch.

With the approval of this budget proposal, the Senate has concluded the 1988-89 regular legislative period of sessions.

**Brazil**

**Reaction to Paraguay Coup, Asylum Request**

**Sarney Comments 3 Feb**  
*PY0302013389 Brasilia Domestic Service*  
*in Portuguese 2200 GMT 3 Feb 89*

[Text] President Jose Sarney has already arrived at the Brasilia Air Force Base, where he talked about the coup d'etat in Paraguay.

The president arrived a short time ago from Caracas, where he attended the inauguration of president Carlos Andres Perez. The Boeing 737 of the Brazilian Air Force brought President Sarney and Uruguayan President Julio Maria Sanguinetti. Before saying good-bye to Sanguinetti, who is on his way to Montevideo aboard the Brazilian plane, Sarney commented on the coup in Paraguay and the operation of the Itaipu power plant, which is a joint Paraguayan-Brazilian project.

[Begin Sarney recording] An accord between two nations does not particularly involve temporary governments, but countries. Brazil and Paraguay have the Itaipu accord, which does not depend on the men in power. We should take into account that this type of accord should be complied with by any government. This is particularly true of Itaipu, which is a major project in which Brazil is very interested. [end recording]

The president left the air base for Alvorada Palace—his official residence—where in a short time he will meet with Foreign Minister Abreu Sodre to analyze the Paraguayan situation.

**Asylum Offered to Stroessner**  
*PY0502185489 Buenos Aires DYN in Spanish*  
*1750 GMT 5 Feb 89*

[Text] Brasilia, 5 Feb (AFP)—Brazil has offered political asylum to former Paraguayan dictator Alfredo Stroessner, who will leave his country for his new place of residence "within approximately 1 and ½ hours aboard a Paraguayan Airlines (LAP) plane," the GLOBO television channel announced at 1720 GMT today.

**Stroessner Arrives 5 Feb**  
*PY0502235389 Rio de Janeiro Rede Globo Television*  
*in Portuguese 2242 GMT 5 Feb 89*

[Text] General Alfredo Stroessner disembarked a few minutes ago at Viracopos International Airport in Campinas, Sao Paulo State. You can see on this video clip the former Paraguayan president walking along with members of his entourage. He arrived on a Paraguayan Airlines jetliner and will be boarding a Brazilian Air Force plane.

Stroessner is balding and is wearing a blue suit. He is walking at a slow gait and is waving his hand. He arrived with his wife and his oldest son, Gustavo. It is still not known where he will stay. It is known, however, that he will stay in Brazil in asylum.

In Brasilia, the Foreign Ministry announced its decision to grant political asylum to Stroessner.

[Begin report from Brasilia by Fabio Pannunzio] The Brazilian Government received two requests for political asylum last night. One request was made in the name of the Paraguayan Government; the other request was made by Gustavo Stroessner.

Itamaraty this afternoon released a short communique stating the reasons that prompted the Brazilian Government to grant political asylum to the former Paraguayan dictator.

The communique says that the decision is in keeping with the Brazilian tradition of respect for the right to asylum, in line with international laws and with Article 4, Section 10, of the new Brazilian Constitution.

Itamaraty officials reported that Stroessner was escorted to the Asuncion airport by Brazilian Ambassador Orlando Carbonar and boarded a Paraguayan Airlines jetliner with some members of his family and with Virgilio Moretzhon, minister counselor of the Brazilian Embassy in Asuncion. [end report]

### Chile

**Errazuriz Questioned on Stroessner Asylum Request**  
PY0302153989 Madrid EFE in Spanish 1505 GMT  
3 Feb 89

[Text] Santiago, 3 Feb (EFE)—Foreign Minister Hernan Errazuriz said today that no asylum request has been received for former Paraguayan dictator Alfredo Stroessner, ousted by a coup led by General Andres Rodriguez.

Minister Errazuriz declined to comment on what the answer of the Chilean Government would be should a request for Stroessner's asylum be made. He just said that "situations can always be studied."

The Chilean foreign minister added that the Foreign Ministry has contacted the Chilean Embassy in Asuncion by phone and found out that the situation for officials posted there is normal.

**1988 Industrial Growth Rate Reported**  
PY0402144789 Santiago EL MERCURIO  
in Spanish 27 Jan 89 pp A1, 11

[Summary] The Industrial Promotion Association (SOFOFA) has reported that the industrial production growth rate was 6.9 percent in 1988, maintaining a 6-year trend of increasing growth rates that averaged 5.9 percent over that period.

### Ecuador

**Borja: Paraguay Coup 'Pleasant Surprise'**  
PA0302172589 Buenos Aires REUTER in Spanish  
1613 GMT 3 Feb 89

[Text] Caracas, 3 Feb (REUTER)—Ecuadoran President Rodrigo Borja appeared pleased with the overthrow in Paraguay of General Alfredo Stroessner and said that the political change could rescue that country from oblivion.

He said: "I view with pleasant surprise what has happened in Paraguay. I think it was time that regime fell."

"Now, what naturally interests us is that there be a democratic transition," he added.

Borja made these comments in Caracas, where he attended the inauguration of Venezuelan President Carlos Andres Perez.

"Paraguay was a forgotten country and its problems were considered to be a distant drama for many Latin American countries," Borja said.

### Paraguay

**Further on Stroessner Overthrow, New Government**

**New Cabinet Members Named**  
PY0302210389 Asuncion Red Nacional de Television  
in Spanish 2015 GMT 3 Feb 89

[Text] The decree appointing the ministers of the executive branch will be signed now.

Division General Orlando Machuca Vargas is hereby appointed interior minister.

Professor Doctor Luis Maria Argana is hereby appointed foreign minister.

Professor Eng Enzo Debernardi is hereby appointed finance minister.

Professor Doctor Dionisio Gonzalez Torres is hereby appointed education and worship minister.

Agronomical Eng Hernando Bertoni is hereby appointed agriculture and livestock minister.

Mr Antonio Zuccolillo Moscarda is hereby appointed industry and commerce minister.

Brigadier General Porfirio Pereira Ruiz Diaz, retired, is hereby appointed public works and communications minister.

Professor Doctor Alexis Frutos Vaesken is hereby appointed justice and labor minister.

Professor Doctor Juan Ramon Chaves is hereby appointed minister without portfolio.

This decree will be signed by Interior Minister Division General Orlando Machuca Vargas.

The ministers will take the appropriate constitutional oath of office today at 1700.

**Rodriguez Inaugurated 3 Feb**  
PY0302215389 Asuncion Red Nacional de Television  
in Spanish 2024 GMT 3 Feb 89

[Speech to the nation by General Andres Rodriguez after taking oath as provisional president of the Republic of Paraguay at the main hall of Government House in Asuncion—live]

[Text] Paraguayan people, comrades of the glorious Armed Forces: On assuming the post of provisional president, I assume the personal commitment to defend the institutions with energy, if necessary, but always within the law and always with respect for human rights. [applause]

The course that the Armed Forces under my command have taken today is directed toward realizing a democracy based on equal...[applause] equal opportunity for all political parties. To do this, my government will propose the appropriate amendments to the laws.



I feel that for human rights to be a tangible reality and not a mere wish, democracy must be real, not just a facade or a pseudolegal arrangement. It must have a strong and independent judicial branch. [shouts: "very good, very good" and applause]

Within this democracy the right to express opinions and the right to meet peacefully must be respected...[applause] so that each and every Paraguayan can have the same opportunities, with special privileges for no one. [applause]

In compliance with Article 180, Paragraph 11 of the National Constitution, I hereby state that I take over as commander in chief of the Armed Forces...[shouts: "very good, good" and applause] and that I plan to exercise these duties with dedication and patriotism.

I believe that national unity must begin with our seeking unity for the Colorado Party, without any exclusions or exceptions...[shouts: "very good, very good" and applause] For this we must cast a mantle of fraternal oblivion over certain squabbles that may have cropped up amid civic struggles.

I therefore call upon all Colorado Party members all over the nation to cooperate with my government. [shouts: "very good" and applause]

The government that is now taking over solemnly promises to respect and enforce the laws and the National Constitution. [applause]

My government will struggle tirelessly to make peace a dynamic reality in our fatherland, not the sepulchral peace in which free expression is gagged and oppressed. There will be freedom of thought and expression, which will, of course, have to comply strictly with the law.

The international commitments of our country shall be respected, and ties of friendship with all democratic countries will be strengthened, particularly with our neighbors. [shouts: "very good," and applause]

We will give special attention to our relations with the Catholic Church in order to restore the respect due to this religious institution and its honorable representatives.

I call upon God, our Lord, for his generous help, and I ask him to enlighten my actions and the path that I promise to follow for the good of the Paraguayan people. [shouts and applause]

### Chile Willing To Take Stroessner

PY0302211789 Madrid EFE in Spanish 2030 GMT  
3 Feb 89

[Text] Santiago, Chile 3 Feb (EFE)—Chilean Defense Minister Patricio Carvajal said today that the Chilean Government headed by General Augusto Pinochet is willing to grant asylum to General Alfredo Stroessner, who has been ousted from the Paraguayan Presidency.

### Argana Addresses Party Rally

PY0402025089 Asuncion Red Nacional de Television in Spanish 2132 GMT 3 Feb 89

[Speech by newly appointed Foreign Minister Luis Maria Argana at Colorado Party rally in Asuncion—live]

[Text] His Excellency, Mr President and Commander in Chief of the Armed Forces Division General Andres Rodriguez [applause, shouts]; Mr President of the Colorado Party Executive Board Professor Juan Ramon Chaves [shouts, applause];

Today's military deed has permitted us to restore the legitimacy of the Colorado Party...[shouts] because the board that was previously installed was invalid and null. [shouts] That is why all of us are full of emotion and enthusiasm, because the Colorado Party has returned to power. [shouts, applause] This shows that there will always be a day like 13 January 1947, when barefooted Colorado marchers displayed their feelings and their courage. [shouts, applause]

By no means does this mean we will sow hatred or that there will be persecution, which were the gross errors of those who took over the party executive board on 1 August 1987. [shouts, applause] On the contrary, we offer the friendly hand of Colorado Party members to all fellow party members in order to build the great and true unity of Coloradism. [applause]

We believe that the Colorado Party has formidable human resources that will be properly employed by the government of Provisional President Division General Andres Rodriguez...[shouts, applause] to allow for a perfect coexistence of peace and harmony. That is why we can say that this event is a revolution by and for democracy. [shouts, applause]

The authentic party executive board today meets again for the rebirth of Coloradism, under the presidency of its great leader, Professor Juan Ramon Chaves, who will now read a proclamation on behalf of all Colorados. [shouts, applause]

**Party Leader Chaves Cited**

PY0402025389 Asuncion Red Nacional de Television  
in Spanish 2135 GMT 3 Feb 89

[Text of proclamation read by Colorado Party Executive Board President Juan Ramon Chaves at Colorado Party headquarters in Asuncion—live]

[Text] Your Excellency, President of the Nation, Division General Andres Rodriguez; Messrs ministers; civilians and military men; dear fellow party members: On behalf of the Colorado Party Executive Board, I have the exceptional honor of addressing the people of the nation to let them know that today the fatherland has a promising future because of the coming to power of Division General Andres Rodriguez....[shouts: "very good" and applause] an honorable military man and a good Paraguayan who, interpreting the patriotic feelings of almost all commanders and officers of the Armed Forces of the nation, has taken the reins of power in his hands to reestablish respect for the nation's Constitution and laws and to protect the human rights of all the inhabitants of our fatherland. [shouts, cheers, and applause]

We, the Colorado Party members, who are engaged in politics for the purpose of preserving republican institutions and the sacred interests of the people, have extended our full support to the Army decision to begin a new period of institutional government without attitudes of sectarianism or, much less, cowardly and contemptible reprisals. [applause, cheers]

We Paraguayans, and especially we Colorado Party members, are certain that the provisional administration of Division General Andres Rodriguez will comply with the laws that the dictatorship has been constantly violating lately....[applause, shouts] seriously disrupting the peaceful lifestyle of the citizenry.

Today we Colorados have restored the legal status of the administrative and organizational structure of our glorious political party. We will not allow new mistakes. Never shall we attempt to take over a sovereign party convention [as Stroessner supporters did in 1987] merely because we disagree with old Colorados. [cheers, applause]

Esteemed fellow party members: The entire nation must be aware of the powerful reasons that compelled the Armed Forces of the nation to put an end to a system of government that day after day harmed society. [cheers, applause]

This particular concern was domestic, but there were other international problems undermining the prestige of our country. In sum, the government had to change course to recover our international status as a sovereign country. [shouts, applause]

In stating these facts we do not engage in personal criticisms; we merely mention them so that we can start solving these pressing problems today.

The Armed Forces' decision to seek urgent and fair solutions is acceptable from any point of view. Furthermore, it reveals that the leading characters in this quest possess a deep sense of duty toward the fatherland.

We will work calmly and constantly. Only in this way will our efforts inspire confidence. I am pleased to notify the Paraguayan people at large that in the present circumstances we must seek a new political course as the only way of attaining what is known as representative democracy. [applause, cheers]

We must mention the takeover of the party convention, an example of the scornful manner in which good Colorado politicians were treated. This kind of thing will never happen again. [applause]

The Colorado Party is a building force and a guiding conviction. The new executive board that will take control of party affairs promises to work loyally with the government presided over by Division General Andres Rodriguez. [shouts, applause]

As of today we will dedicate our efforts to Paraguay. Even if its problems were difficult, we would not falter in our quest for fair solutions. We will not persecute anyone, nor will we engage in cowardly and useless revenge. We want all Colorados of good faith to support the efforts of General Rodriguez and the great task of the Colorado Party. [applause]

Our preachings will continue to be sincere; we will honor the Colorado Party; and we will never stoop so low as to offend the dignity of any Paraguayan political party. [applause]

We will always be with all of you. Please receive the cordial greetings of this humble soldier always. [cheers, applause]

**Former Party Board Reinstated**

PY0402153189 Asuncion EL DIARIO in Spanish  
4 Feb 89 p 9

[Text] According to high-ranking Colorado Party authorities, the Colorado Party board headed by Juan Ramon Chaves cannot be described as a newly-elected party board. This party board is made up of the same members who were ousted on 1 August 1987, when the militant faction of the Colorado Party held their convention.

The Colorado Party board that assumed its duties yesterday is the same one that was in power in 1987. The party board is made up of the same people, and its secretary general is still Roberto Gonzalez Rioboo.

The sources added that these party authorities will continue to perform their duties on the party board until a new party convention is held.

Chaves will chair the first meeting of the new party board, scheduled to take place next week. This meeting will be attended by the traditionalist faction of the Colorado Party.

#### **Opposition Leader Laino Comments**

PY0402161089 Asuncion HOY in Spanish  
4 Feb 89 p 18

[Text] Domingo Laino, leader of the Authentic Radical Liberal Party, talked with HOY regarding the events in Asuncion that led to the resignation of President Alfredo Stroessner.

He said: "We are very excited about the current events; the entire country is very excited. We now hope that the Armed Forces will fulfill its promise of a peaceful opening. We are going to participate and get involved in dialogue, not to fall into a trap, but to lead the country to real democracy."

Laino went on to say: "Never again another 34 years of dictatorship; never again a single year of dictatorship."

He added: "This is the path we want, a path without trauma, without death and bloodshed." He said: "We want a path without abuse, now that we are overwhelmed by profound emotion after 34 years of dictatorship."

Laino added: "We hope that our new President, Andres Rodriguez, realizes this. We want him to call us for a real dialogue with an authentic opposition. We sincerely hope that there will be no traps or fraud."

#### **National Accord Supports Coup**

PY0402163489 Asuncion EL DIARIO in Spanish  
4 Feb 89 p 11

[Text] Yesterday the National Accord released a statement establishing its position on the latest events in the country.

The statement says: "The National Accord, made up of the Christian Democratic Party, the Authentic Radical Liberal Party, the Febrerista Revolutionary Party, and the MOPOCO [Popular Colorado Movement], would like to convey to the Paraguayan people and the international community its profound emotion and happiness over the overthrow of Alfredo Stroessner."

The statement adds: "The dark days have passed and the Paraguayan nation is returning to the road of freedom."

The statement also says that the National Accord supports the military proclamation's assertion of the need to defend human rights and to build a democracy.

The document also says that "the National Accord will support any measure on behalf of the Paraguayan people to insure a state of law that would support the democratic ideals of the people, insure the reestablishment of public freedom, and change social structures."

#### **PDC Leader Supports Rodriguez**

PY0402182689 Asuncion HOY in Spanish  
4 Feb 89 p 18

[Text] "I believe that the ousting of the dictator is the best thing that has happened to our country in the last 40 years." This is what Christian Democratic Party [PDC] leader Luis Andrada Noguea said regarding the incidents that led to the ouster of the forces loyal to General Stroessner by the insurgents headed by General Andres Rodriguez.

He added: "I have great expectations that the goals voiced by General Rodriguez will be fully achieved. Paraguay needs to heal its wounds and achieve a constitutional democracy. Paraguayans have been waiting for this moment. This is the start of a new era. I am confident that General Andres Rodriguez will be able to overcome the political, social, and economic difficulties Paraguay has been confronting. I am also certain that if he fulfills his promises, the Paraguayan people will support his administration so that together we may develop our country and our spiritual well-being."

Andrada Noguea also said: "I pray that the Lord will enlighten the new Paraguayan president and guide his actions for the good of our beloved fatherland."

He concluded by saying: "The people are awakening from a long sleep. They are coming out of a cruel nightmare. They will try to gain access to the streets, which was previously denied them. They will express their joy at what has happened and they will struggle to achieve their goals."

#### **Bolivia Asylum Request Cited**

PY0402184989 Madrid EFE in Spanish 1840 GMT  
4 Feb 89

[Text] La Paz, 4 Feb (EFE)—According to reports published by the newspaper "ULTIMA HORA," former Paraguayan President Alfredo Stroessner has requested temporary asylum in Bolivia. Stroessner was ousted yesterday by the I Army Corps commander, General Andres Rodriguez.

The newspaper says that yesterday the Bolivian Foreign Ministry received several telephone calls from Asuncion requesting "temporary asylum for the ousted general."

"ULTIMA HORA" adds that the former Paraguayan president wishes to take asylum in Cochabamba, 430 km east of La Paz. According to the newspaper, Stroessner has made this personal request to the new Paraguayan Government.



"ULTIMA HORA" adds that the Bolivian Foreign Ministry has a report from Asuncion stating that the new Paraguayan Government had requested asylum for Stroessner in Chile, but that the Chilean authorities have rejected this request in view of Chile's present foreign policy situation.

The newspaper adds: "The Bolivian Government was very surprised by the request made by President Andres Rodriguez."

#### Montanaro Seeks Asylum

PY0402175289 Asuncion *EL DIARIO* in Spanish  
4 Feb 89 p 10

[Excerpt] [Passage omitted] An unconfirmed report claims that former Interior Minister Sabino Montanaro sought asylum at the South African Embassy.

Nothing is known about the whereabouts of the other members of the executive branch. It was not possible to establish if they were in their private residences. It is not known when former Justice Minister Eugenio Jaquet will return from Caracas, Venezuela. Jaquet went to Caracas to represent the Stroessner government at the inaugural ceremony of Carlos Andres Perez.

#### New Commerce Minister Cited

PY0402155289 Asuncion *HOY* in Spanish  
4 Feb 89 p 4

[Text] Shortly after being sworn in yesterday, Industry and Commerce Minister Antonio Zuccolillo was asked how he expects to conduct his ministry. He replied: "We will look into the possibility of establishing both free exchange rates and free trade."

Minister Zuccolillo added: "Industry and commerce have been my activities all my life. In my view, we should create an appropriate climate in which businessmen can work. At the ministry we will create a favorable climate for enterprises to develop. This will create more jobs and more tax revenue for government projects. We will support enterprises stressing private, rather than state, efforts."

He also said that free exchange rates and free trade have been a very successful prescription in Chile and Uruguay, whose economies have experienced "fantastic growth" under a capitalist system on the U.S. model. We will ask the IMF, and especially the IDB, for administrative help "because Paraguay produces more than it actually consumes." Finally, Minister Zuccolillo said that he is not worried about the Paraguayan foreign debt, because the country produces \$2 billion per year.

#### No Official Casualty Figures

PY0402015689 Asuncion *Radio Caritas* in Spanish  
0130 GMT 4 Feb 89

[Report by unidentified Radio Caritas reporters]

[Excerpt] [Passage omitted] [First reporter] We can inform the Caritas audience that up to now we have no official information on the number of casualties. There are rumors about 200 deaths, but we have no official information in this regard.

[Second reporter] That is right. We cannot provide any information because we have no objective or official information.

[Third reporter] We also lack information on the whereabouts of authorities of the Stroessner regime. We do not know whether they are under arrest or not. [passage omitted]

#### Stroessner May Go to Miami

PY0402023689 Asuncion *Radio Caritas* in Spanish  
0145 GMT 4 Feb 89

[Text] This is a report from the news agency EFE, datelined Asuncion.

Military sources today reported that General Alfredo Stroessner is still in Paraguay, 15 hours after he surrendered to rebelling General Andres Rodriguez, the new Paraguayan president.

The sources thus denied rumors in connection with Stroessner's trip to Chile for political asylum there.

Stroessner, 76, remains a prisoner of the I Army Corps, the military unit led by Rodriguez that on Thursday evening rebelled in order to establish democracy in Paraguay.

Sources from the I Army Corps told EFE today that Stroessner is still living in Asuncion and that, for the time being, it is not known whether he will travel abroad tomorrow.

Chilean Ambassador to Paraguay (Jorge Valiant) told EFE that he does not have any information about Stroessner's possible trip to Chile.

There are many reports datelined Santiago, but we have nothing here at the chancery, the Chilean ambassador said.

Sources in Asuncion have said that Stroessner will reportedly be hosted for a few days by a friend of Chilean President Augusto Pinochet and that Stroessner's final destination reportedly is the city of Miami in the United States.

Announcing Stroessner's surrender today, the new Paraguayan president said that the former president is in a good condition and that he is enjoying human rights at the I Army Corps residence where he is staying.

**New Staff for Party Paper**

PY0402140889 Asuncion Radio Primero de Marzo in Spanish 1258 GMT 4 Feb 89

[Text] The new Colorado Party government junta has just released a resolution appointing a new editorial staff for the party newspaper PATRIA. This is the text of the resolution:

In view of the need to reorganize the editorial staff of the newspaper PATRIA, the president of the government junta resolves:

First: To appoint Dr Juan Ramon Chaves as the director of the newspaper PATRIA.

Second: To designate Mr Arsenio Basualdo as chief editor, and Mr Carlos Arza Maldonado as deputy chief editor.

Third: To publish this resolution for compliance.

[Signed] Juan Ramon Chaves.

**Encarnacion Under Navy Chief**

PY0402141089 Asuncion Radio Primero de Marzo in Spanish 1300 GMT 4 Feb 89

[Text] The municipality, government delegation, and all public offices in the city of Encarnacion have been placed under the supervision of Navy Captain Manuel Fernandez Samaniego, commander of the Encarnacion Naval Base. One of the first measures he adopted is to appoint Mr Eulalio Coronel as the new director of Radio Encarnacion, replacing Alejandro Lapierre, who had held that position for many years.

**Airline Officials on Stroessner**

PY0402140189 Buenos Aires DYN in Spanish 1308 GMT  
4 Feb 89

[Text] Asuncion, 4 Feb (AFP)—Officials of the state-owned Paraguayan Airlines (LAP) today said at Asuncion International Airport that overthrown General Alfredo Stroessner will "probably" leave the country before noon (1500 GMT).

Since about 0845 (1145 GMT) some activity has been seen around the Boeing 707 parked since noon yesterday at the airport, presumably to take the former president out of the country.

Airport military personnel were seen placing a ladder at the airplane, which has been guarded since the day of the coup.

**Former Minister's House Raided**

PY0402155689 Asuncion Radio Caritas in Spanish  
1502 GMT 4 Feb 89

[Text] According to reliable sources, the house of former Justice and Labor Minister Jose Eugenio Jaquet was raided by members of the 14th Infantry Regiment this morning.

The Army took documents that belong to Jaquet, who is currently in Venezuela. Jaquet's house is on the corner of 8th and Estados Unidos Streets. The houses of Jaquet's daughters and a warehouse that belongs to him were also raided.

**Group Urges Prisoner Release**

PY0402201289 Madrid EFE in Spanish 1615 GMT  
4 Feb 89

[Text] Montevideo, 4 Feb (EFE)—The Latin American Association for Human Rights [Asociacion Latinoamericana Para los Derechos Humanos] (ALDHU), an organization headquartered in Uruguay, today asked the newly installed Paraguayan Government to free all political prisoners whose situation is uncertain.

The ALDHU also asked the Paraguayan Government to stop "censoring the press" and to reopen the newspaper ABC COLOR and Radio "Nanduti," both of Asuncion, Paraguay.

In a communique signed by ALDHU Executive Secretary Juan de Dios Parra Sepulveda, a Chilean citizen, the ALDHU says that "to the extent they reflect the profound democratic calling of the Paraguayan people, the new authorities can rely on the support of the Latin American democracies."

The communique expresses "its support for the Guarani people's hope for the opening of a path toward democratization" following the downfall of General Alfredo Stroessner.

The ALDHU warned that "a true change in the Paraguayan situation" involves putting an end to press censorship and releasing those prisoners held for voicing their opinions.

The ALDHU, which is made up of Latin American presidents, congressmen, politicians, and other personalities and is headed by Venezuelan President Carlos Andres Perez, stated that "the role of the civilian society in Paraguay" must be "recognized" and that the Armed Forces must "resume their institutional role."

The ALDHU asked the international community "to remain alert to developments" and to support the Paraguayan people "at this time of important decisions."

According to ALDHU, the takeover by General Andres Rodriguez, who pledged to restore democracy in Paraguay, "makes the nation expect important changes."

**Stroessner Reportedly Ill**

PY0402173289 Buenos Aires TELAM in Spanish  
1636 GMT 4 Feb 89

[Text] Asuncion, 4 Feb (TELAM)—Ousted Paraguayan President Alfredo Stroessner, who is in his 70's, has been unable to leave the country as ordered by General Andres Rodriguez, provisional Paraguayan president and leader of the uprising that began on 2 February, because of a sudden illness.

Due to the upcoming changes in Chile resulting from the victory of the no-vote in the plebiscite, Stroessner will not be guaranteed the security and peace he will need.

Persistent rumors circulating today indicate that Miami, Florida is one of the last alternatives being (?studied) for the ousted president.

The drastic reduction this morning of the guard that was posted at the I Army Corps, where Stroessner was being kept, leads people to believe that he has already been transferred to another location. He is probably being kept at the military airport, which adjoins the international airport, and is awaiting confirmation on the destination of the Paraguayan Airlines plane that has been parked at the side of the main runway since yesterday.

The massive exodus of Stroessner's civilian supporters and the almost non-existent reaction to the "fictitious" human wall that had been proposed by the "combatant militant" faction of the Colorado Party make it highly improbable that there will be an attempt to free Stroessner and put him back in power.

**Colorado Party Communique**

PY0402181789 Asuncion Domestic Service in Spanish  
1707 GMT 4 Feb 89

[Text] We have the following communique:

To the members of the Colorado Party of the Republic:

The Executive Board of the National Republic Association, Colorado Party, headed by Juan Ramon Chaves, exhorts all party members to act prudently, calmly, and peacefully. The party categorically prohibits any kind of violence or occupation of party or government facilities until the appropriate instructions from the party leadership are received.

It is the desire of the government led by Division General Andres Rodriguez to have peace and tranquility in the country.

Signed: Juan Ramon Chaves, president; Luis Maria Argana, vice president.

**Embassy Denies Montanaro Report**

PY0402190789 Madrid EFE in Spanish 1840 GMT  
4 Feb 89

[Text] Asuncion, 4 Feb (EFE)—The South African Embassy in Asuncion has denied asylum to Sabino Augusto Montanaro, the former interior minister of ousted President Alfredo Stroessner. Montanaro's whereabouts are unknown.

South African Ambassador Johann Vanrenfurg today said "it is not true" in response to EFE's questions about Montanaro's alleged asylum. Montanaro was also the president of the Colorado Party Executive Board. Certain local media had reported that Montanaro had been granted asylum at the South African Embassy.

The whereabouts of Montanaro, who had been a member of Stroessner's cabinet for more than 20 years, and of the other members of the ousted regime are unknown.

The South African ambassador, whose government always maintained excellent relations with Stroessner, reported that no request for asylum had been received from the former president of the nation or members of his administration.

**Elections Called 'in 90 Days'**

PY0402193289 Buenos Aires DYN in Spanish  
1902 GMT 4 Feb 89

[Text] Asuncion, 4 Feb (AFP)—Juan Esteche Fanego, former president of the National Electoral Board, today announced that the Paraguayan Government will call presidential elections in 90 days.

Esteche Fanego, who is believed to be "very close" to the faction of the Colorado Party that has regained power after the Friday coup d'etat, added that the current Congress may be disbanded.

Esteche Fanego made these remarks to the afternoon daily ULTIMA HORA. AFP has obtained this information before the newspaper hit the streets.

**ABC COLOR To Reappear**

PY0502001489 Asuncion Radio Primero de Marzo  
in Spanish 2200 GMT 4 Feb 89

[Text] After many years of silence, the siren of the closed newspaper ABC COLOR sounded again this noon.

Aldo Zuccolillo, the director of this morning daily, has said that the newspaper, which was closed by Stroessner, will reappear in about 30 days. He pointed out that some technical adjustments will be made in order to update the technology.



[Begin recording] [Zuccolillo] Some of our equipment is out of date and no longer meets our goals. The other newspapers have had an opportunity to improve their equipment over the past 5 years. We want to reappear at an acceptable technical level so our readers will not criticize what we can initially offer them for their information.

[Unidentified reporter] What will you change? The color equipment? The rotary press?

[Zuccolillo] No, not the rotary press. We must immediately replace our composition equipment and also our color equipment. Initially we may not be able to print in color. However, we can publish a good newspaper in black and white, if nothing else. That is all we need. All the rest is working well.

[Reporter] How about the personnel, Mr Zuccolillo?

[Zuccolillo] They are our best asset, and the only asset we possess 100 percent, because I believe all those staff members who worked for us—400 people—or at least many of them, are ready to return as soon as we believe we are ready to reappear. [end recording]

#### **Radio Nanduti Broadcasting**

PY0502001889 Asuncion Radio Primero de Marzo  
in Spanish 2200 GMT 4 Feb 89

[Text] After a long silence, the closed radio station Radio Nanduti has again broadcast on AM.

Beginning today, Radio Nanduti is transmitting on an experimental basis, broadcasting music.

In an interview with our radio station, Radio Nanduti Director Humberto Rubin said that everything is set for the closed radio station to broadcast again within the next few days.

#### **Minister on Ousted Officials**

PY0502012089 Asuncion Cerro Cora Sistema Nacional  
Television in Spanish 2300 GMT 4 Feb 89

[Text] Paraguayan Foreign Minister Luis Maria Argana and Argentine Ambassador to Paraguay Raul Quijano concluded a meeting at the Paraguayan Foreign Ministry a few minutes ago. The Argentine ambassador delivered to Minister Argana a note by which the Argentine Government officially recognized the new Paraguayan Government. Our reporter Guillermo Yaluk interviewed the Argentine ambassador and the Paraguayan foreign minister.

[Begin recording] [Quijano] Very unusual things are happening in Paraguay. I have come to deliver a note to the foreign minister in response to a note from the Paraguayan Government informing us of the installation of the new government.

The Argentine Government has made a point of answering as quickly as possible, and it has just been my pleasure to deliver the note from my government to the new Paraguayan Government.

[Yaluk] Mr Foreign Minister, what does the Argentine Government say?

[Argana] The Argentine Government expresses its best wishes and its official recognition of President General Andres Rodriguez' government. The note also expresses the Argentine Government's conviction and hope that Gen Rodriguez' statement at his installation ceremony, which it considers to be extraordinary and a source of great expectations and hope, will come true, so that Paraguay will join the various integration projects that Argentina, Brazil, and Uruguay are engaged in and from which Paraguay is circumstantially excluded.

The Argentine Government believes that the relations between the two countries will be very fruitful and that a highly significant phase is beginning for Argentine-Paraguayan relations.

[Yaluk] Mr Minister, international affairs were, in fact, one of the key issues of Gen Rodriguez' statement. What is your opinion of the Argentina's response, its swift recognition of the new Paraguayan Government?

[Argana] It is a praiseworthy fact that today the Argentine Government received through its ambassador our request for recognition and has hastened to be the first nation to recognize the new Paraguayan Government. This reveals its faith, trust, and conviction that this new Paraguayan Government is moving toward true democratization, defense of human rights, respect for the law, and compliance with international treaties.

[Unidentified reporter] What about the members of General Alfredo Stroessner's former administration?

[Argana] Gen Rodriguez' government is marked by great generosity. There is no room in it for hate, rancor, or revenge. This means that almost all officials of the previous government are absolutely free. Only one official has requested asylum as far as I know, the interior minister of the former administration. He has requested a safe-conduct which, according to my initial conversation with President Gen Rodriguez, will be completely unnecessary because [former] Minister Montanaro is not being harassed, nor is there any warrant for his arrest or order to punish him. This means that he could possibly leave his place of asylum with full guarantees and assurances.

[Reporter] What government? What country?

[Argana] He has sought asylum in Honduras.

[Yaluk] Where will General Stroessner go, to what country?

[Argana] At this point we still have no concrete information. Requests for safe-conducts, visas, and passports to various countries are being prepared. I want to make it clear that Gen Alfredo Stroessner is in good health. He is staying at the residence that is usually occupied by the commander of the I Army Corps and his family. He is definitely free to choose the country where he wants to go.

[Yaluk] Then he is still in our country?

[Argana] Yes, President Stroessner—I mean former President Stroessner—is still in our country.

[Second unidentified reporter] Mr Minister, you said that there is nobody under arrest, but we had heard and I want you to confirm whether it is true that the vice president of the Chamber of Deputies was arrested this afternoon just as he arrived from Costa Rica.

[Argana] Look, I do not want to jump the gun, but I think that you are in for a surprise. He was called to be offered a high position, not to be placed under arrest. I think it will be a real surprise.

[Third unidentified reporter] So you are saying that he has not been placed under arrest, but offered a high-level job?

[Argana] Yes, to offer him a high-level job.

[Third reporter] Could you tell us which one?

[Argana] I cannot tell you which, and I do not know whether he accepted it, but that is why he was met at the airport.

[Yaluk] Will any other former officials be offered jobs?

[Argana] I do not believe so, but I cannot tell you for certain because we are just beginning a new stage and we have spent several sleepless nights and many things have happened simultaneously. Therefore ...[changes thought] Anyway, as I am telling you, this is a government of national reconciliation, and all honest and good Paraguayans ready to work hard are welcome. [end recording]

#### **Rumored Artillery Rebellion Denied**

PY0502194889 Asuncion EL DIARIO in Spanish  
5 Feb 89 p 3

[All quotation marks as published]

[Text] There were insistent rumors late last night about an uprising of the artillery unit headquartered in Paraguari. Some carnival parties were even suspended, and neighbors of the I Army Corps headquarters sought shelter at La Piedad Church.

The rumors were later dispelled when the commander of the artillery unit read a communique expressing support for General Andres Rodriguez. The communique states: The Paraguari Artillery Command, which is made up of Artillery Group No 2, Artillery Group No 3, the "Mariscal Lopez" 16th Infantry Regiment, and the military police unit, conveys to you that we have prayed to God, asking him to enlighten us in order to join the cause of legality, respect, and dignity of the glorious Armed Forces of the nation; the solid unity of the glorious Colorado Party of General Bernardino Caballero. My General, we respectfully state that we ask Almighty God to enlighten you and to strengthen your decisions for the good of the fatherland, the glorious and heroic Paraguayan people, and the glorious Armed Forces of the nation."

The communique is signed by Colonel Tomas Anibal Aquino Arguello, the acting commander of the artillery unit.

#### **Brazil Recognizes New Government**

PY0502201089 Asuncion EL DIARIO in Spanish  
5 Feb 89 p 2

[Text] According to last-minute reports released by Foreign Ministry sources, Foreign Minister Luis Maria Argana has met with Brazilian Ambassador Orlando Soares Carbonar.

It was officially reported that the ambassador conveyed the Sarney administration's explicit recognition of the new Paraguayan Government. "They do not usually send notes, and the visit actually meant that Brazil has recognized General Rodriguez as the new Paraguayan president," it was said.

#### **Stroessner Departs for Brazil**

PY0502190289 Asuncion Radio Primero de Marzo  
in Spanish 1853 GMT 5 Feb 89

[Text] The plane carrying Alfredo Stroessner left President Stroessner International Airport for Brazil at exactly 1549 [1849 GMT].

#### **Rodriguez Confirms Elections**

PY0502192089 Asuncion Radio Caritas in Spanish  
1855 GMT 5 Feb 89

[Interview with President Andres Rodriguez by unidentified reporters at Asuncion International Airport following departure of former President Alfredo Stroessner; broadcast in progress—live]

[Text] [Rodriguez] ...has to be everyone's freedom.

[Reporter] General, how is true democracy going to be achieved?

[Rodriguez] Through elections. I am planning to observe the Constitution; that is, to call elections in 90 days.

[Reporter] Will there be presidential elections in 90 days?

[Rodriguez] Yes, sir.

[Reporter] [Question indistinct]

[Rodriguez] [Words indistinct] Thank you, gentlemen. Congratulations.

#### **Uruguayan Recognition Confirmed**

PY050222389 Asuncion Radio Caritas in Spanish  
2147 GMT 5 Feb 89

[Telephone conversation between Asuncion Radio Caritas reporter Celso Velazquez and reporter Julio Navarro of Radio Sarandi in Montevideo—live]

[Text] [Velazquez] Good afternoon, Julio. We would like to hear about a recent report on Uruguay's recognition of the new Paraguayan Government.

[Navarro] Good afternoon listeners and colleagues of Radio Caritas. Early this afternoon, the Uruguayan Foreign Ministry officially announced that it has instructed Uruguayan Embassy officials in Asuncion, namely Ambassador Jorge Pacheco Areco, to convey the Uruguayan Government's recognition of the new Paraguayan Government. The Uruguayan Foreign Ministry communique also states the Uruguayan Government's satisfaction with General Andres Rodriguez' pledge to promote a prompt democratization process in Paraguay. This is a highlight of the latest news in Uruguay on this subject.

[Velazquez] Thank you, Julio, for your report.

#### **Finance Minister Reassures Public**

PY0602015889 Asuncion Cerro Cora Sistema Nacional  
Television in Spanish 2300 GMT 5 Feb 89

[News conference by Finance Minister Enzo Debernardi with unidentified reports at the I Army Corps headquarters in Asuncion on 5 February—recorded]

[Text] [Debernardi] We are aware of rumors throughout the city that some banks will stop making payments and that account holders will massively withdraw deposits. This is part of a disinformation campaign. Thus, we can give assurances to the people that the Central Bank, under the guidance of the Finance Ministry, will guarantee all deposits in all banks operating in the country.

Therefore, we are urging the people not to be afraid and not to make withdrawals hastily; this could be harmful, and it could force the government to take restrictive

measures to avoid a run on the banks. There is no reason for this. The Central Bank is capable of bringing order into the banking operations if needed.

[Reporter] What about the rumor about the nationalization of dollar accounts. Is it true?

[Debernardi] I would describe this rumor as absurd because even though the government has not yet had the time to publicly formulate a policy on this subject, I believe I can announce that we will move toward deregulating the economy as much as possible.

[Reporter] Will all the banks open on Monday, 6 February?

[Debernardi] All banks will open on Monday. To deregulate an economy as much as possible means to give the greatest freedom of action in the economy. This can in no way be in keeping with a measure such as the nationalization of dollar deposits.

[Reporter] What about the measure taken against the money exchange houses?

[Debernardi] Honestly speaking, I cannot answer your question. My strictly personal opinion is that they should be reopened, but I must consult with the Central Bank specialists, to whom I should show my respect.

#### **Argana Holds News Conference**

PY0602003289 Asuncion Cerro Cora Sistema Nacional  
Television in Spanish 2310 GMT 5 Feb 89

[News conference with Foreign Minister Luis Maria Argana and unidentified reporters at I Army Corps headquarters in Asuncion on 5 February—recorded]

[Text] [Reporter] Foreign Minister Luis Maria Argana was among those who were present at the office of President Andres Rodriguez this morning. We asked him if countries other than Argentina and Brazil have already recognized the Rodriguez administration.

[Argana] In an unusual gesture and through a letter from President Alfonsin, Argentina expressed its great appreciation of and support for the statements by President Rodriguez, noting Argentina's hopes for an outstanding improvement of bilateral relations and for the integration of Paraguay into the River Plata economic groups.

We should also note that Brazil has recognized the Paraguayan Government following Itamaraty's standard practice of tacit gestures, like the visit that Brazilian Ambassador Orlando Soares paid to the Foreign Ministry last night. The Taiwanese ambassador has also submitted a note recognizing the Paraguayan Government.

[Reporter] What about the United States?



[Argana] We have not yet received any notification, and we have not submitted any note to them either. They will probably receive our request on 6 February.

[Reporter] One last question, Mr Foreign Minister. The Argentine press has reported that general elections will be held in Paraguay in 30 days.

[Argana] Look, what I can tell you is that the Constitution sets forth that the electoral process should be held within 90 days. Since we have a strong devotion to democracy, we should logically modify some electoral regulations in order to give various sectors and political parties more chances to participate. We should also reorganize the Colorado Party Executive Board. There should also be electoral campaigns for president and for Congress. Consequently, I believe that the elections will be held within 3 months. On 6 February the president will sign a decree establishing the date for the elections.

[Reporter] But the elections will be held within 3 months?

[Argana] Within 3 months, as set forth in the Constitution.

[Reporter] Will a constituent assembly be summoned?

[Argana] Look, a constituent assembly is summoned for amending the Constitution.

[Reporter] Is there no interest in amending the Constitution?

[Argana] There is no interest at all in amending the Constitution now.

[Reporter] It is not necessary to amend it...

[Argana, interrupting] I believe that it is not necessary to amend it now. There are other matters that are more urgent. If necessary, though, the Constitution may be amended. Everything can be improved.

[Reporter] Won't the democratization bring about the need for constitutional amendments?

[Argana] Not at all, only the modification of the electoral law, which has put some restrictions on the free organization of political parties. This is what we want to correct.

[Reporter] Mr Foreign Minister, won't the article on the indefinite reelection of the president be amended?

[Argana] This article might be amended by a new national constituent assembly, but it is premature to talk about that now.

[Reporter] Will the Authentic Radical Liberal Party be recognized?

[Argana] Based on the statements by the president, I can conclude that this party and the Christian Democratic Party will be recognized along with other parties provided that they have enough representativity; atomization and anarchy in the sectors that represent political ideologies cannot be allowed.

[Reporter] Mr Foreign Minister, does that mean that Congress will be dismissed on 6 February?

[Argana] No, it will be dissolved. The Constitution authorizes the dissolution of Congress, establishing that in such cases elections should be called within 3 months. This is what the Rodriguez administration will do, strictly complying with the law.

[Reporter] The election will (?then) be called tomorrow?

[Argana] Let me explain this to you. A decree will be issued tomorrow dissolving Congress and calling for the election of a president, deputies, and senators on a specific date and in the numbers established by the Constitution.

[Reporter] Mr Foreign Minister, will the rally that the National Accord announced on 12 February, which was suspended by the Stroessner regime, be authorized?

[Argana] You should ask that of the National Accord, because we will not ban it.

[Reporter] There is no more justification for the rally...

[Argana, interrupting] It would be meaningless. The cause that prompted the organization of that rally has disappeared.

[Reporter] Will the Supreme Court be dissolved?

[Argana] No, no, no. The court will not be dissolved. I believe there may be some restructuring. There is no reason for any concern.

[Reporter] Unlike Congress, it is not necessary to dissolve the Supreme Court...

[Argana, interrupting] No, but Congress does have to be dissolved because it was created during a political situation that many of us believe to have been totally against the people's devotion for democracy. Consequently, we want to reset the course, also giving a chance to the other political parties to join Congress.

[Reporter] Will the Council of State approve laws during the 3-month period?

[Argana] Of course, not for approving laws but for issuing decrees that will be enforced as laws, because the Council of State cannot approve laws. The council issues

decrees that will be enforced as laws and that should be submitted to Congress within a 60-day term. Such decrees may be then approved or amended by Congress.

[Reporter] Mr Foreign Minister, there will obviously not be a new Congress in 60 days, unless the elections...

[Argana, interrupting] You misunderstood me. I meant 60 days after installation of Congress, not 60 days after issuing the decree that dissolves Congress.

[Announcer] The president mentioned rumors of an alleged uprising of the artillery, which were released by a media last night. This may give rise to a wave of rumors which may undoubtedly distress the people. This is what Dr Argana told us about the subject:

[Argana] We should now observe two major principles of democracy: freedom and order. We intend to live in harmony, freedom, and order. That is why we ask the people and the mass media to avoid agitation. We ask them to let the political parties, the candidates, and the representatives of the people express their opinions without sowing discord, without unnecessary confrontation, without provoking situations that may sometime force a government to take measures that can restrict freedom. It is difficult to couple freedom and order in a democracy. If there is too much freedom, people say there is licentiousness. If emphasis is on order, someone says that there is too much arbitrariness. The truth is that it is difficult to find a balance. Yet I believe that the press can make a significant contribution to the calming of spirits in our fatherland so that, for example, in 3 months we may hold honest, clean elections with properly designated registries, with the participation of all sectors, and in a calm atmosphere, electing a government that faithfully reflects the people's will.

[Reporter] When will the Colorado Party call for its own convention, which should be held far in advance of the elections?

[Argana] Look, the Colorado Party has its own internal problems. The legitimacy of the party has now been restored. A provisional party Executive Board commission has been created for the purpose of reorganizing the party in a rather short period. We will have to try to reorganize all party precincts throughout the nation in a 30-day period. An intervention has been declared in all party precincts whose leaderships have been dismissed. The precincts will thus designate the convention delegates that will choose the new party board, the presidential candidate, and the candidates for senator and deputies.

[Reporter] You said a new party board, right?

[Argana] Yes sir, a new party board, because the Colorado Party now has practically no leadership.

[Reporter] Some people have said that this board will represent a continuity of the convention of 1 August 1987.

[Argana] Look, it will represent a continuity in that it will involve restoring the legitimacy of the party. The current board has been dissolved because more than 50 percent of its members joined the militant sector. In addition, since the term of the board has already expired, it is necessary to respect the people's will.

[Reporter] Mr Foreign Minister, when will that convention be held?

[Argana] The date for the convention will depend to a considerable extent on our party reorganization process. Obviously, it should be called in sufficient time to be able to organize the presidential campaign and the campaign for the election of deputies and senators.

[Reporter] When you say 3 months, you mean April or May?

[Argana] I mean 3 months after General Andres Rodriguez is sworn in. The Constitution says within a 3-month period, but it might be even sooner. Obviously, the short time we have will make things a bit more difficult despite our goodwill.

[Reporter] Right.

[Reporter] There is an issue which may be a bit outside your jurisdiction. There will apparently be internal problems within the Liberal Party. Will the government decide who is who within that party, or will the government let each faction sponsor its own candidate?

[Argana] Look, I can tell you the following: We have to restructure the electoral law, which will now have to provide for the creation of an electoral court that will settle the internal differences between political parties. This court will practically be an electoral tribunal which will decide, based on the evidence provided by each faction of a party, which of the sectors actually represents the party followers.

[Reporter] This means that the key issue now is drawing up the new electoral law.

[Argana] I believe that is the key issue. Even though we have not yet talked much about it, I believe that the most representative sectors of the opposition must participate in the design of the law, because their voice must be heard and because this new period must come to life as a great sociopolitical pact among all Paraguayans.

[Reporter] Excuse me Doctor, what will be the status of the recognized and the unrecognized opposition?

[Argana] All that will disappear with this law, which seeks to end all that.

[Announcer] Thus far there has been only speculation on the number of casualties from the night of 2 to 3 February, during the fight between the troops of General Andres Rodriguez and those who remained loyal to General Alfredo Stroessner. This morning Foreign Minister Argana was consulted on the issue. His answer was the first official report on the subject.

[Argana] The information that I have just received from the I Army Corps commander, who is the president, is that only 17 [as heard] persons died and that 30 were injured. I do not know whether this figure includes civilian casualties, because this number was obtained from the hospitals and other places where the casualties were registered.

[Reporter] This figure includes all the confrontations?

[Argana] All of them. That is what I can tell you.

#### Clashes Among Military Denied

PY0602134689 Asuncion *EL DIARIO* in Spanish  
6 Feb 89 p 23

[Text] Through the Public Relations Department of the Metropolitan Police, Brigadier General Francisco Sanchez Gonzalez, Metropolitan Area military commander, yesterday released a communique denying rumors of alleged clashes among Armed Forces units.

The communique states: "The military commander of the Metropolitan Area wants to categorically deny the alleged armed clashes that are reportedly taking place among Armed Forces units. The military office of the Metropolitan Area labels as absolutely false these rumors, which have been disseminated through a metropolitan radio station.

"The commander of the Metropolitan Area feels that these biased and ill-intentioned reports could affect the behavior of the citizenry.

"Therefore, it is necessary to reaffirm once against that normalcy and order have been restored throughout the nation."

The communique is signed by Brigadier General Francisco Sanchez Gonzalez, military commander of the Metropolitan Area.

#### New Position, Appointments

PY0602134789 Asuncion *EL DIARIO* in Spanish  
6 Feb 89 p 2 Special Supplement

[Text] Dr Conrado Pappalardo Saldivar [former director of protocol] has been appointed Secretary General of the Presidency, and Eladio Loizaga was appointed Private Secretary to the President.

As Secretary General of the Presidency, a new position, Pappalardo will have a wide range of responsibilities, including appointing high-level officials.

#### Defense, Health Ministers Named

PY0602001189 Asuncion *Cerro Cora Sistema Nacional Television* in Spanish 2300 GMT 5 Feb 89

[Text] In a ceremony to be held tomorrow at Government Palace, President Andres Rodriguez will administer the oath of office to two new ministers: General Adolfo Samaniego, retired, as defense minister and Dr Juan Manuel Cano Melgarejo as public health and social welfare minister.

[Asuncion Cerro Cora Sistema Nacional Television and Asuncion RPC Television Network, both in Spanish, on 6 February at 1158 GMT go into network to cover the swearing-in ceremony. National Defense Minister Division General Adolfo Samaniego and Public Health and Welfare Minister Dr Juan Manuel Cano Melgarejo take the oath of office at 1200 GMT.]

#### Venezuela

#### Carlos Andres Perez Addresses SELA Heads

PA0202212889 Caracas *Venezolana de Television Canal 8* in Spanish 2011 GMT 1 Feb 89

[Speech by President-elect Carlos Andres Perez at a SELA-sponsored "ceremony for Latin American unity" at the Romulo Gallegos Hall in Caracas—live]

[Text] Messrs heads of state and government of Latin America and the Caribbean, Messrs former presidents, diplomats, and fellow Latin Americans:

I want to interpret this ceremony as a major way for government leaders of Latin America and the Caribbean to voice their political willingness to strengthen this extremely important instrument for the integration and united efforts of our region. As has been said here, this was an idea that emerged from the Latin American ideals of Mexican President Luis Echeverria and implemented in a historic meeting here in Caracas when I was president of the Republic.

All countries in the region were unusually fast in responding. Never before in the history of international organizations has an institution been formed and put into operation in such a short time, a matter of weeks. Deep inside the minds of our leaders was the idea that integration—through a simple and pragmatic system SELA wanted to provide—was an urgent need that could not be delayed. When SELA first met in Panama, it harbored a hope and a certainty that there were better times ahead for Latin American unity.

However, this hope was transformed into frustration, into this lost decade for Latin American development, as Rodrigo Borja has said. We can describe this evil decade



of the 1980's as much more than lost. During this decade, we saw the weakening of all regional multilateral instruments as well as worldwide multilateral instruments organized by the United Nations. It is a historic fact that should provide us experience and teach us lessons.

When the economic crisis began in the 1980's, the countries in the region, instead of promoting a united consciousness and collective course of action, sought refuge in a national selfishness that obviously worked against what should have been at that time the vital interest of our nations: unity to cope with the crisis.

The 1980's have been harsh and difficult, not only for Latin American countries, but for all developing countries.

All structures that had been forged throughout those years were weakened. They had been designed to give strength and power of negotiation to the countries that were subdued by the circumstances under which international relationships developed into the exploitation of our resources by the world's large industrialized nations. The Nonaligned Movement generated an entire process in the midst of the cold war to strengthen and provide an international stature for the developing countries. The Group of 77 was also born of that extraordinary expectation created by the Nonaligned Movement. Those two groups began to lose their strength, and they almost dissolved. The UN organizations' strength also weakened, as did their very necessary activities for the developing countries.

Today, we are shocked as we see how great nations—which are demanding democracy from us and say they support us so we will emerge from our cultural backwardness—have left UNESCO, have weakened UNESCO, which was perhaps the most important organization to support the developing nations. That organization was born from great ideals when the United Nations was created, and it sought to look after the most serious problem of underdevelopment: education.

All of this happened in this evil decade of the 1980's. The industrialized nations supported their actions through bilateral interaction, and they contributed to strengthening that absurd dispersion of national selfishness resulting from the efforts that had been made throughout so many years. [sentence as heard]

The 1970's were years of hope and great illusion. A new international economic order was the banner that was carried even into the United Nations. The Declaration of Economic Rights and Duties of States, prepared by Luis Echeverria, the overall concerted effort for an understanding between the North and South—all of which took place in the decade of the 1970's—began to lose its effectiveness and meaning. In this decade—which is fortunately coming to an end—it was almost considered

in poor taste to speak of the Third World and of the developing countries. We then sought refuge in denying our own objectives, our own interests.

I am saying all of this to urge the heads of state and of government and the distinguished persons attending these ceremonies to think over the experiences we have lived during this decade. As the permanent secretary of SELA and President Rodrigo Borja said, as the 1980's draw to an end now in 1989, we are fortunately coming out of that false, absurd idea that we could defend our interests better individually because, case by case, we could obtain better attitudes from the industrialized countries.

One country's case is not the same as another, and the less important country should not be contaminated by the damage and problems of the country with less importance. [sentence as heard] Case by case, as if with the use of a dropper, all hopes were dissolved, and circumstances worsened for all countries, absolutely all countries of this region.

Strong countries that have made significant efforts in development such as Mexico, Brazil, and Argentina, have lost years of effort and sacrifice. These countries—the largest in Latin America—have stated several times that they are out of the crisis and that a new development phase is about to begin. Within a short time, they have sunk into the crisis again, and their situation is worse.

Now, as the decade draws to an end, we understand that our power of negotiation can improve and serve each and every one of us if all of us unite.

Initiatives were made to attain Latin American unity and coordinated action; perhaps one of the most important is the one we have called the Group of Eight, which was born to provide a Latin American contribution to the solution of the Central American crisis. Later, and as the Latin American countries became aware of the crisis and our useless sacrifices, the Group of Eight became a permanent organization. For the first time in the region's history, a permanent group formed by the heads of state of our countries, is in operation. Jointly, these heads of state study and coordinate actions to further the collective solution to the Latin American problems.

Because so many distinguished leaders of our countries are here to attend my inauguration ceremony, I have become the involuntary promoter of this event, and I am honored to do so. SELA's permanent secretariat took the opportunity to hold this meeting. I believe the meeting expresses our political will, and we should seriously reflect on SELA's importance. SELA is the only organization that embraces all the countries in the region. It is the only organization that has been formed at our own initiative and, because of its simple structure, the only organization where Latin Americans can meet to discuss our problems, identify our common interests, and be able to present a united position at international forums.

This should be SELA's new meaning. We have to expand SELA's objectives to include not only economic matters but all our problems and international relations. We have to do this now. SELA would implement the actions that have been established in smaller, more comfortable spheres, such as in the Group of Eight. Now is the time, because great changes are occurring in the world. We are witnessing the solution to serious situations that a few years back did not have a solution. Now is the time, because it seems the large nations are abandoning the confrontation that presented to the world the possibility of a nuclear holocaust.

In just a matter of a few days, we have seen the most unusual agreements within the reality of world confrontation. The Soviet troops leave Afghanistan; Angola, Cuba, and South Africa agree to the birth of Namibia; the United States agrees to hold a dialogue with 'Arafat, the Palestinian leader, and this initiates the process to solve the terrible and dangerous problem of the Middle East; the USSR and the PRC solve the Cambodian problem, a terrible holocaust that we thought would never be solved.

Why not find a solution too for the Central American problem within that overall detente, since the two superpowers are also involved in the confrontation? Why not, within this climate of detente—dear friends, compatriots, heads of state and government—join our fears to meet at the highest level with the U.S. President, with the EEC, with the Japanese prime minister, to discuss, in an atmosphere of dialogue and friendship, the dramatic problems that threaten to destroy the foundations of Latin American democracy, which for the first time appear to be firm?

Why? Because this wicked decade of the 1980's has also been a contradiction in our region. The 1980's have also been the time for the consolidation of democracy, for the true elimination of militarism—even though it still dares to show its sinister face to threaten nations, such as in the case of Argentina—yet the solid willingness of our nations and the firm determination of our peoples has prevented these new attempts from developing. However, selfish interests then arise, integration disappears, and we then have an unusual world picture where all multinational organizations have weakened.

However, now as the decade draws to an end, times are changing in this new world situation, time that appears as hope and happiness for all. President Sanguinetti once said here at the Congress of Venezuela something I always quote from, because it is an excellent summary of the reality of our peoples. President Sanguinetti said: The countries that want us to have democracy do not allow us to make a democracy. He was referring to the problems of all Latin American nations, as mentioned by President Rodrigo Borja, such as the foreign debt, the irrational treatment to which we have been subjected in

these 1980's. This problem threatens the weakened economies of our peoples, but it also threatens the economic stability that had been the great achievement of this last stage of Latin American life, and which justifies Sanguinetti's phrase.

However, I believe we must change the tone of our complaints and now say: The countries asking us to have democracy must help us to make this democracy, and we are going to demand it, in a friendly, dignified manner, and we are going to discuss, at the highest level, the circumstances of our region.

Latin American compatriots, these are the ideas I have now, as we meet here in what I call a historic opportunity. I sincerely want to interpret the feelings of all the Latin American leaders, who want SELA again to be the instrument of a concerted effort and Latin American unity. Let us get to work, dear Latin American compatriots. [applause]

**President Meets With Central American Leaders**  
PA0402191089 Madrid EFE in Spanish  
0242 GMT 4 Feb 89

[Text] Caracas, 3 Feb (EFE)—The new Venezuelan president, Carlos Andres Perez, today met with his Central American counterparts to review the situation in the Central American region, official sources reported.

After the meeting, which was held at a Caracas hotel where the presidents are staying, Costa Rican President Oscar Arias said that they had engaged in an "informal exchange of views."

Four of the five Central American presidents attended the meeting: Honduras' Jose Azcona, Nicaragua's Daniel Ortega, Costa Rica's Oscar Arias, and Guatemala's Vinicio Cerezo. Only El Salvador's Jose Napoleon Duarte was absent. Health problems prevented him from attending Perez' inauguration, which took place on Thursday.

Arias said that during the meeting with Perez they "outlined" the strategy that will be followed during the "summit" of Central American presidents, which has been postponed five times and is now scheduled to take place in El Salvador on 13 and 14 February.

**Ortega Holds News Conference in Caracas**  
PA0302174189 Caracas Venezolana de Television  
Canal 8 in Spanish 1430 GMT 3 Feb 89

[News conference held by Nicaraguan President Daniel Ortega and Foreign Minister Miguel D'Escoto with Venezuelan and foreign reporters at the Hilton Hotel in Caracas—live]

[Text] [Ortega] I would first like to state once more my greetings and affection for the Venezuelan people; it is simply an expression of the Nicaraguan people's feelings.

This morning I visited the national cemetery where Simon Bolivar, the liberator of our Latin America, is buried. He is a Latin American and, therefore, he is a Nicaraguan hero.

We are satisfied that President Carlos Andres Perez' inauguration was not a simple act of protocol. Instead, it became an event filled with great Bolivarian and Latin American spirit, in which the interests of Latin America and the Caribbean have prevailed, and in which Latin American political leaders who have different political and ideological positions managed to communicate. We face different particular situations, but we share the same dreams and goals and we face the same problems. This brings us together and allows us to talk and exert ourselves to meet our people's demands.

We must make Bolivar's dream a reality. Latin America must become one homeland, one great homeland without borders—a great homeland that allows absolute freedom, justice, democracy, and stability for the great Latin American people. I am prepared to answer your questions, my friends.

[Reporter] Mr President, could you please let us know if the Central American presidents will meet?

[Ortega] We have managed to reach an agreement on the date for the presidential summit; it will be held on 13-14 February in San Salvador. Prior to this, the Central American foreign ministers will meet at the United Nations with UN Secretary General Javier Perez de Cuellar. The meeting will be held on 8 February to discuss the verification mechanism for security issues, a point that will be discussed at the San Salvador summit.

Likewise, the Central American foreign ministers will have the opportunity to discuss verification mechanisms concerning the strengthening of democracy, which must necessarily include human rights. Human rights are the soul of democracy. We will strengthen democracy if we attain respect for human rights.

We also feel it is important to establish verification mechanisms that help achieve progress in regard to respect for human rights in Central America. Nicaragua has been an open country in this regard. Our doors are open to all the human rights organizations. The International Red Cross, the OAS' Inter-American Human Rights Commission, Amnesty International, Americas Watch—Nicaragua's doors are open to all the most important human rights organizations. We believe that we will strengthen democracy in the region by helping to ensure that Central America's doors remain open to those human rights organizations.

[Reporter] Mr President, President Azcona yesterday told us that you had issued a proposal. The proposal included the delivery of land to the contras, amnesty, and a reduction in the Army's forces. Could you explain this for us?

[Ortega] Yes, I presented a proposal to President Azcona. I also delivered it to the other Central American presidents because the proposal is part of the Central American negotiation process. It is also part of the Esquipulas peace plan. The proposal states that Nicaragua and Honduras should implement the peace plan by taking the appropriate steps to strengthen the security and democracy issues. I told President Azcona that Nicaragua is taking steps to strengthen its mixed economy system, political pluralism, and the election process in our country—both general and municipal elections, which must be held no later than November 1990.

I also gave him a written proposal on the mechanism for finding a solution to the contra problem. The contras should not be deserted and left alone. The contras should not be abandoned just like that. We should instead reach an agreement and implement the Central American peace plan by solving the contra problem.

In this regard, we agree with what President Bush has stated. He does not want to abandon the contras. It is not a matter of abandoning the contras. We want to find a solution and, among other things, we have proposed a mechanism to repatriate the contras who wish to return to Nicaragua. They should be able to own land, work, and apply for the amnesty. If they do not want the amnesty then they may enter the country without accepting the amnesty. The important thing is that those who wish to return to Nicaragua should be able to do so.

I do not think it is appropriate to discuss the specific aspects of the proposal. I have already presented President Azcona with the proposal and told him I did not wish to make it public. I have asked him to examine the proposal within the context of the Central American peace process and the application of the Esquipulas peace plan so we can discuss how to use a proposal of this nature. These are all the details I can give you about the proposal.

[Reporter] [Question indistinct].

[Ortega] This is an integral proposal. It also takes the prisoners into account, of course.

[Reporter] Mr President, for the last 10 years the enemies of the Sandinist revolution have tried everything possible to discredit the Nicaraguan Government, describing it as totalitarian and as an enemy of freedom. Yet both you and Fidel Castro have been invited to participate in Borja's, Salinas de Gortari's, and Perez' inaugurations, all of which have served to reaffirm democracy. This shows the Latin American democracies do not consider your government and Castro's government to be as totalitarian as the anti-Sandinist propaganda claims you to be. What is your response to those who constantly criticize Nicaragua for its lack of freedom and democracy?



[Ortega] You must understand that we are building Nicaragua's first democracy. There had never been democracy in Nicaragua before. Nicaragua had never known a democracy from the time it became independent from Spain in 1821 until 1979. We have been building a democracy since 1979. Yet when we tried to build this democracy, the United States confronted us with a war. This war has cost us 57,357 victims during the 8 years of the Reagan administration. This includes 29,103 deaths. The rest were wounded, maimed, etc.

Let us compare this figure to the population of the United States. If the United States had been subjected to a similar aggression for 8 years, it would have sustained over 4 million casualties. In proportional terms, Nicaragua's 57,000 victims would equal 4 million U.S. victims. The death of 29,000 Nicaraguans would be equivalent to the death of 2 million Americans. The United States would have suffered many more casualties than it has ever suffered, even including the casualties it sustained in World War II, the Korean War, the Vietnam War, and other wars it has been involved in. This shows us the extent of the aggression against Nicaragua. Over 19,000 children are now orphans as a result of this war.

Nicaragua has tried to strengthen democracy under very difficult and complex conditions. We believe we now have several opportunities to work firmly in that direction. However, we will need the active participation of not only Latin America and the Caribbean, but also the European countries, which have been concerned about peace in Central America.

The fact that political leaders of various countries who may have different political views and ideologies are participating in these events—such as President Borja's inauguration in Ecuador, President Salinas' inauguration in Mexico, and now President Perez' inauguration in Venezuela—is a sign of Latin American maturity. Mr Reagan has been able to reach an understanding with Mr Gorbachev, even though the United States has described the USSR as its greatest enemy. Then how is it possible that we Latin Americans, who share the same problems and the same goals, have not been able to meet to talk about these problems and work to overcome them? I think our actions show great maturity and a great sense of responsibility. Our actions command respect.

[Reporter] President Ortega, did you meet with U.S. Vice President Quayle while he was here?

[Ortega] No, I have not met with Mr Quayle. I believe the main issue here was the Latin American meeting, and for Mr Quayle to get better acquainted with Latin American situations, opinions, and points of view. Mr Quayle's talks with Latin American political leaders, with President Perez and other leaders, will better acquaint him with Nicaragua's positions. The Central American nations have common roots and, therefore, common actions and positions.

[Reporter] Commander, Mr Quayle said yesterday he wants you to meet with the other Central American leaders. According to your statements, you seem to more or less agree with him.

[Ortega] I view U.S. support for the Central American presidents' and the Group of Eight's Central American peace efforts as positive. I believe the United States could contribute a great deal by respecting our peace efforts and allowing us to work. It would contribute to the achievement of peace in Central America.

[Veroe] President Ortega, Mario Veroe, Televen, Venezuela. A new democratic election process is coming up in Nicaragua. How is the Sandinist movement, which you represent, preparing for the elections that will decide your presidential successor?

[Ortega] The FSLN has not yet decided who its candidate will be because it is currently involved in solving Nicaragua's deep-seated economic problems, problems inherited from this truly dreadful war. We are faced with a crisis and must respond to it by first summoning the workers, producers, and businessmen so that, along with the government, a joint effort can be made to achieve a social and economic understanding and thus increase production. These are the goals the FSLN has set for itself. Prior to my departure for Caracas, I informed the National Assembly of this nationwide summons. Once we have achieved these goals, we will start working on electoral matters.

[Ibarra] Joaquin Ibarra, LA VANGUARDIA, Barcelona, Spain. For many years your government has maintained that Nicaragua's serious economic situation is the result of the aggressions and contra war. How do you explain the fact that, after the Sapoa agreements were signed less than 1 year ago and the cease-fires were implemented, the economic situation worsened? Also, is your national summons to the private world, the business world, a step backward in the revolutionary process?

[Ortega] The revolutionary process has always sought a mixed economy and a pluralist political framework without losing sight, of course, of Nicaragua's natural traits. I cannot create a pattern and apply it dogmatically. I cannot say that all the Latin American countries should follow a certain pattern and that they should all be like any particular country, such as Venezuela, Costa Rica, or Mexico. In other words, I cannot establish a pattern and attempt to apply it mechanically. The Latin American people have promoted a certain fluidity in the effort to strengthen democracy, and these businesses, which span a wide range of the political and ideological spectrum, should try to respond to each Latin American country's idiosyncrasies.

What we are doing now is something we had been unable to do during the past 8 years because of U.S. aggression. The U.S. aggression, which went on steadily and openly for 8 years, was not only of a military nature; it also

involved the diplomatic and political fields. It was also expressed in the form of an economic embargo, and in the form of pressure on multilateral organizations to cut off the source of credit for Nicaragua.

We have an accumulation of war damage. We know the conditions in which countries are left following a battle—a war. We have to face the economic situation with a nationalist spirit to save the economy, which is a national heritage, and to strengthen our country's mixed economy.

[Reporter] Mr President, there has been an uprising in Paraguay against Stroessner, who had been in power since 1954. Do you believe there will be important political changes in that country or will this violent action produce subversion in that South American nation?

[Ortega] We have always identified very much with the Paraguayan people. We are confident that the day will come when the Paraguayan people will be free and able to begin building their democracy. Right now, however, we cannot expect much because what has happened is not the result of actions by the people but of actions by the military. This looks like family bickering. Statements are being made, but as long as these statements are not put to the test we cannot trust them. There is the case of Haiti. Duvalier is gone but the military remains and they are massacring and murdering the Haitian people. We can make no predictions. We will have to wait and see what happens and how the Paraguayan people react to make room for themselves and to create conditions favorable for democracy in Paraguay.

[Reporter] President Ortega, taking into consideration the 57,357 victims—20,000 dead, 19,000 orphans...

[Ortega, interrupting] There are 29,000 dead, almost 30,000.

[Reporter, continuing] ...close to 30,000 dead and 19,000 orphans, Nicaragua has endured aggression for 8 years. Is the emphasis not to leave the contras—who are the ones who have committed the aggression—stranded? Or should the emphasis be to give attention to the 19,000 orphans, to the families of the 30,000 dead, and to the reconstruction of Nicaragua? Democracy is very important for Nicaragua in the framework of political pluralism and of Nicaragua's integration in the Latin American family of nations, but you are talking about the repatriation of those who accept amnesty and those who do not. Are you saying that in your country you will have enemies who have been killing Nicaraguans from abroad, including those who do not accept amnesty? Are these also priorities, in addition to economic priorities, Mr President?

[Ortega] When we speak of economic priorities, we also speak of social priorities because we cannot separate one from the other. We have special programs to take care of

war orphans. We have international solidarity, including solidarity from the U.S. people, from U.S. churches, from U.S. citizens who contribute to cure the wounds that the U.S. Government has inflicted on the Nicaraguan people.

When we speak about a method of repatriation—such as the one we have proposed to the Honduran Government which is a mechanism through which the contras who want amnesty may take advantage of and those who do not may return to Nicaragua without accepting it—we are acting on the basis that those who return to the country agree to return not to continue waging war but to put down their weapons and to participate in the country's normal productive life or in the political sector for those who may want to participate in politics. I have said this about the amnesty because some contras view accepting an amnesty as a humiliation. Others, the majority, view amnesty as insurance that they will be safe when they return. We have been flexible in this regard.

[Velo] Commander, Fernando Velo, California Secan News. In light of the assassination of a former general of the Honduran Armed Forces, one of the contra founders in Honduras, and a Honduran drug trafficker with contra connections, and in light of statements by the new [as heard] commander in chief of the Honduran Armed Forces requesting greater military and economic aid from the United States, if the Central American situation became more stable by the time of the next meeting, what possibilities would there be for a reduction in the number of Sandinist troops?

[Ortega] We have a permanent force of about 100,000 men, plus the peasants in the war zones who have had to be trained in defense to be able to repel mercenary attacks. We feel that if the war problem is definitively resolved, then we will be able to reduce the number of permanent troops. This, however, does not preclude the Nicaraguan people from being always prepared and knowledgeable about the country's defense.

A reduction in the number of permanent forces is also linked to the attitude Central American governments assume in regard to military development. We must think in terms of a reasonable balance of forces in the Central American region. There are armies in Central America that have their own dynamics, their own interests, and their own points of view, and therefore constantly demand arms. We believe the time has come to stop the entry of new types of arms into the Central American region. I believe that this would be a very positive step.

Then we could go on to free the Central American region of all foreign military presence. I believe this is another great goal that we have as part of the Esquipulas accords. There is a willingness to comply with this, but we must put this willingness to the test by taking definite steps in that direction. We really must save money. Our countries are

very poor. It is absurd for us to be investing in defense. You would have to see how much it costs to maintain fighter aircraft—it is very expensive and nonproductive.

The most important battle for us to win, the most important war we Central Americans can win, is to avoid unleashing a bigger war. We need the concerted effort of Central Americans to start eliminating the hot spots and begin reducing the size of our military forces. This will allow us to provide more resources for social and economic activities that our people require.

[Ramirez] Leopoldo Ramirez of the FRONTERA newspaper of Merida, Venezuela. My intention is to ask of you a favor instead of asking a question: You are a friend of Commander Castro. We, the Venezuelan reporters and the reporters from the various countries who are visiting us, want to speak to Fidel Castro—without hindering freedom of speech and while safeguarding the human rights of Venezuelan and foreign reporters—in a proper atmosphere, such as this one. Since you will be meeting with him today, maybe you could tell him this is a peaceful, democratic, and friendly news conference. It would be nice if you could deliver this message on behalf of our local and visiting reporters. Thank you. [applause]

[Ortega] [laughs] I saw Comrade Fidel giving an interview on Venezuelan television.

[Reporter] Mr President, I have a question: Nicaraguan contras, who are also currently visiting this country, have repeatedly said that you refuse to talk with them. They say they even proposed a new dialogue in December and you refused to talk. Are there plans in the next few months for a meeting with the contras?

[Ortega] There is no sense talking to a corpse. [applause]

[Reporter] Mr President, Commander Fidel Castro said last night that Costa Rican President Arias has submitted a proposal for peace in Nicaragua. Can you tell me what that proposal is?

[Ortega] Well, I think I must tell you the following: Last night we had a very interesting meeting. I met until dawn with President Perez, Commander Fidel Castro, President Alan Garcia, and President Oscar Arias. We exchanged ideas concerning the search for peace in the Central American region and what we can do to promote peace in Central America. I feel it was a very fruitful dialogue. Many ideas emerged there. Of course, we Central Americans will have to keep them in mind. It is important that we have the active support of Latin American leaders like Carlos Andres Perez, Alan Garcia, and Fidel, as well as the Group of Eight. They are ready to promote peace in Central America so that in the next meeting on 13 and 14 February in El Salvador we can achieve substantial progress. The main responsibility falls on the Central Americans, but I also think that the Latin American effort to support the action by the Central Americans is imperative and urgent. Under

these circumstances, the role that the Group of Eight can play, the action that Carlos Andres Perez can undertake, the action that the Latin American leaders and European leaders can carry out—I spoke with [Spanish Prime Minister] Felipe Gonzalez and [former Italian Prime Minister Bettino] Craxi...[changes thought—FBIS] I think conditions exist to promote these efforts. The Nordic countries also maintain a very progressive attitude toward the Third World countries. Yesterday I spoke with Swedish Deputy Foreign Minister Pierre Schori. I feel that internationally the opinion is quite favorable for greater promotion of the Central American peace plan.

[Galante] I am Jaime Galante of LA MANANA newspaper of Montevideo, Uruguay. Do you view as positive the efforts announced by President Arias of interceding with the U.S. Government so that it will not support the contras and at the same time with the Soviet Union so that it will not support leftist groups or groups allied to it?

[Ortega] First of all, I want to tell you that the Soviet Union does not support any leftist group. The Soviet Union has never supported armed groups in Central America or, as far as I know, in other Latin American countries. The struggle in Nicaragua was waged by the Nicaraguans, mainly with our own forces, with the blood of the Nicaraguan people, and with the support of Latin American leaders such as Carlos Andres Perez, Fidel Castro, Omar Torrijos, Jose Lopez Portillo, and Costa Rica's Rodrigo Carazo.

[Reporter] Did you speak (of this topic) with President Arias?

[Ortega] Above all we have spoken about the effort that we in the Central American region have to undertake to implement the peace plan, which includes other elements that are linked to armaments, foreign military advisers, and the nonuse of Central American territory to attack other states. This must be the object of verification. We think that verification is essential to guarantee the security of the Central American states. We cannot say: Let us trust what each country will do on its own. Instead, we have to establish a verification mechanism that will create the necessary conditions for a total easing of tensions and for stability and so that eventually those verification mechanisms will no longer be necessary.

[Chamorro] Pedro Joaquin Chamorro for LA PRENSA in Nicaragua and DIARIO LAS AMERICAS in Miami. Commander, I would like to ask you a question: Military operations have practically stopped...[corrects himself] substantially decreased since March 1988 following a cease-fire that has been extended several times. I am curious about the economic phenomenon that has taken place. The economic and social situation in Nicaragua has noticeably deteriorated following the stoppage of offensive military operations. In fact, you admitted that



the inflation rate last year was approximately 21,800 percent—or something like that—and that the figure would possibly be even higher this year. I imagine that you are now trying to solve the economic problem.

My question is more of an economic and social one rather than one of a political nature. What explanation can you give for this political and social phenomenon? Why has the economic crisis worsened in Nicaragua following what is practically the end of the war, speaking in military terms, instead of experiencing an improvement? Why has the exodus of the Nicaraguan population to other countries, particularly the United States, recently increased?

[Ortega] The problem is as follows: As long as we are at war, the population is mobilized for the war, for combat, and economic problems become secondary because the population's life is at stake. Then one comes face to face with the effects of that war when the war ends. The effects of that war have been accumulating for years, and they began to be felt at a given time. This is what happened in 1988, so, in fact, it was a coincidence. For this reason...[changes thought] We could not concentrate all our efforts on solving the economic problems as long as we were at war.

Furthermore, we had a subsidy policy for everyone, meaning the private producers and other social sectors. This accumulated to the point that it became untenable. We would have had to implement a war economy or call for concerted efforts in the economic sector even if the war had not ended. We must bear in mind that this was caused by an accumulation of economic problems.

We would have been equally compelled to carry out these kinds of measures even if the war had not ended or if the cease-fire had not been decreed. We had two choices: either we implemented a war economy or we called all the sectors—the workers, producers, and businessmen—and told them: Well, we must face this problem, which is a national problem because the economy is a national patrimony. We must all save the economy. That is precisely what we are doing right now.

[Chamorro] What about the social phenomenon, the exodus of people? Is it perhaps that the people feel no hope for an economic solution?

[Ortega] The exodus? I would say that this increased after the hurricane. The economic situation deteriorated even more after the hurricane. The problem is as follows: The economic measures that we enforced last year and the measures that we are enforcing in January to counter inflation—particularly to keep the 1989 inflation rate below that of 1988—and gradually increase production, created unemployment. The measures created unemployment because we cut investments. If you cut investments in the production and social sectors you create unemployment. If you cut your expense budget you create unemployment in every sector.

Logically, if...[changes thought] The people are offered an alternative: employment in the country. We tell the people: We have jobs for you in the country. We have jobs on the coffee farms. You can go work there. However, people who live in the city cannot easily adapt to life in the country. People returned to the country and most of them will probably stay in the country to work, but there are others who will not. The latter will try to relocate in the cities, or they will try to migrate to other countries.

[Collins] Peter Collins, ABC Television Network. I respectfully ask you a favor. Could you please answer again the question that you already answered in Spanish about your reaction to the new attitude assumed by the Bush Administration, and allow Foreign Minister D'Escoto to translate it into English? What is your view on the steps taken by the U.S. Government following the elections and Mr Quayle's presence here? How do you see the atmosphere in Washington?

[Text] [Ortega] I am confident that Mr Quayle, who has been in contact here with Latin American leaders, can communicate to President Bush what the attitude of Latin America is, what the attitude of Latin American political leaders is. He can also communicate the attitude of Spanish leaders, as Quayle has also talked with Spanish Prime Minister Felipe Gonzalez. We hope this allows for a more realistic and respectful policy toward Latin American countries, because Nicaragua is part of Latin America, part of this reality. We and the social forces of Venezuela, Colombia, and Chile are one blood. When U.S. political leaders like Mr Quayle talk with Latin American leaders, these U.S. leaders are also talking with Nicaragua. These U.S. leaders are getting to know to a great extent Nicaragua's positions. For example, Nicaragua fully identifies with President Carlos Andres Perez' speech yesterday, which summarized all the difficulties of Latin American and Third World countries. We hope this gives way to a policy of respect, and therefore good relations between the United States and Latin America.

[D'Escoto, in English] I trust the U.S. Government—Mr Quayle in particular, who has been here—will be able to communicate to President Bush what he has perceived here as the Latin American thinking. As Nicaragua is an integral part of Latin America, when a representative of the U.S. Government speaks to Latin American leaders, in essence it can be said they are also talking to Nicaragua, and they are being helped to understand the thinking of Nicaragua. We, for example, are in total agreement with the inaugural address—with what was said in the inaugural address—by President Carlos Andres Perez, and we hope that in the near future we will attain that type of relationship that he was calling for between the United States and Latin America. As I have said, Nicaragua is part of Latin America. That is what we would like to see.

[Collins] What about the president's comments on the new attitude of the Bush administration? Would you kindly answer that in English?

[Ortega] Pardon?

[Collins] You said earlier that you have noticed a new attitude in Washington. I would like to know if the foreign minister could repeat this in English.

[Ortega] I was referring to Mr Quayle's statements. You see, I was asked about Mr Quayle's statements, and I said if this were indeed the case, it would be very positive.

[D'Escoto, in English] One of the journalists here asked whether he was in agreement with what Vice President Quayle had said about the importance of having the different Latin American leaders get together. President Ortega said this was a very good attitude—this idea of creating the opportunity for greater Latin American dialogue rather than obstructing it.

[Ortega] No. We have not broached the subject specifically, although we have discussed Nicaragua's overall economic problems and the adjustment policies we are implementing without any financial support whatsoever. When Latin American countries apply adjustment policies they usually have some kind of financial support. We have none; our sources of credit are closed and we still have to deal with a deficit of \$237 million before we can fulfill the severely limited economic program for 1989. I have expressed concern about this to President Perez and other Latin American and European leaders in the hope that they might restructure their assistance to us, to allow us to fulfill our current program.

[Oropeza] Mr President, Margarita Oropeza for Venevisión. Nicaraguan opposition members have rejected the elections, according to a document issued by the bloc of 14. They allege that there are no political or judicial guarantees to ensure free, honest, and fair elections. What guarantees do Daniel Ortega and the Nicaraguan Government offer for fully democratic elections?

[Ortega] I have not received an official answer from the opposition rejecting the elections. However, prior to my departure from Nicaragua I had already received the earliest requests by opposition parties seeking entry to the Supreme Electoral Commission. Their answers were quite positive. These answers, of course, are always filled with rhetoric. Nowhere in the world will you find opposition political parties readily applauding government measures.

The best guarantee we have is that Nicaragua has already held elections—in 1984. We can judge from that experience. Hundreds of observers came from all over the world, including the United States. They were people of the most diverse ideologies and political standpoints, from the most conservative to the most liberal, and no one dared to say there had been fraud in Nicaragua, or

that the opposition parties had not received support or adequate facilities. On the contrary, for the first time in Nicaraguan history, seven political parties participated in an election. Prior to 1984 only liberals and conservatives participated in elections and monopolized Nicaragua's politics and economy. Seven parties took part in the 1984 elections, which was a first. Moreover, all of these political parties were given television time. I do not know if all political parties in Venezuela have equal television time for campaigning. I do not know if this is how it is done in Venezuela, if all the parties [changes thought] in other words, all the political parties—from the extreme left to the extreme right—taking part in the elections are entitled to television time and financial support. I do not know if this is how it is done in Venezuela or other Latin American countries. This is how it was done in Nicaragua. We are willing to support the electoral process in this way, so that all parties can communicate with the electorate, get their message to the people and, in turn, the people can decide who to vote for.

[Reporter] Commander, you have, in effect, announced a general amnesty for the contras. There are 13,000 armed contras currently in Honduras. You say, at the same time, that a dialogue with a corpse is pointless. What is the status of the Sapoá agreements and the negotiations that were suspended in July? How can the amnesty be implemented and the contras repatriated if there is no direct dialogue with the National Resistance?

[Ortega] It is true that in Honduras they have a force of approximately 4,000 armed contras along with their relatives, who logically make up a [word indistinct] of refugees. Therefore, our proposal is aimed at having them return to the country and give up this type of armed activity. Besides, they have no future. They are a defeated force. Therefore, they should give up this armed activity once and for all. We would solve the problem for Honduras—because they are a problem to Honduras—and would create a better situation—detente—in Honduras in compliance with the Esquipulas peace plan.

Therefore, there is no need to establish a direct dialogue with the contras, because there is a clear-cut proposal from the Nicaraguan Government to lead to that process. Moreover, some contra leaders are not interested in peace. They do not want peace, because this type of activity is a business for them. They remain outside of Nicaragua and have money they handle and steal. At this moment, an investigation, or trial, is being conducted against Mr Calero, who is one of the contra leaders. He is accused of stealing \$5 million. Of course, maintaining this activity of the contras is a business for them. These people will not return. They do not want to return to Nicaragua. On the contrary, they are stimulating an aggressive policy, a terrorist policy.

Therefore, we think the most practical thing to do is to create the conditions, to establish the corresponding mechanisms to facilitate building a bridge to the people

and to the U.S. Administration to move ahead with the repatriation of the contras, because the problem is: Where will the contras go? Are they going to stay in Honduras? Nobody wants them there. Are they going to go to the United States? The United States does not want them there. The United States does not want to receive the 4,000 contras and their families, which would mean 4,000 contras plus an average of 5 persons per family, or approximately 20,000 people. Would the United States want to receive 20,000 people? I do not think so. We are prepared to receive all of them. We are offering a solution to the problem.

[Reporter] One last question, Mr President. [Passage indistinct] Nicaragua's economic situation, aside from the expenses required by the economic aggression against your country and that it is also impossible to do so without placing Nicaragua in the Latin American context, to which it belongs. It also is part of a crisis plaguing all our nations. However, we would want to know how the Sandinist revolutionary government is tackling this process, this crisis. What is it planning to do to prevent the sacrifices being demanded—which is somewhat implicit in the measures you have announced—from being circumscribed to or falling exclusively on the masses? In other words, how can this crisis be apportioned more equitably and be kept from falling exclusively on certain sectors, as happens in other countries?

[Ortega] This is a truly extraordinary task. This is not an easy task, because it involves telling businessmen and producers: Friends, you have to share the sacrifice with the workers and be fair to them; otherwise, the workers will complain because they distrust the attitude of some producers and businessmen who have been draining capital out of businesses and production centers.

The workers told me this when I met with them a few days ago. They were distrustful. When I outlined this plan to them, they said: We are prepared to do our share; however, let the businessmen and producers do their share. Logically, we are going to defend these principles. We have to enter into an agreement and begin concerted efforts. The businessmen must become convinced they have to sacrifice a little, as much as the situation requires, to save their own economy, to save their own possibilities of future development. Otherwise, we will find ourselves forced to apply a war economy, which would have other effects.

I believe the majority of Nicaraguan businessmen understand. What guarantees are there? Through the application of taxes, we guarantee that businessmen contribute to the solution of the crisis. There will also be contributions in the line of credits, because subsidized credits will no longer be subsidized, and private producers and businessmen will have to either pay or reinvest. We are urging them to reinvest their profits and not to remove the capital.

This is a test of fire, especially for producers and businessmen. Their awareness is being tested. Will they be able to respond with a nationalist spirit to the appeal being made to them in a country where the workers have been the ones making the greatest sacrifices? This is the big question. We have to make a great effort to turn this proposal into reality.

[Zambrano] I am Fasi Zambrano, from Venezuela. Commander, in recent days the Soviet delegation said the Soviet Union would not withdraw its arms from Central America unless the United States does the same. Now you are saying the struggle in Central America is being waged with Central American weapons. What is the truth about Soviet arms in Central America?

[Ortega] We have Soviet arms. We are not the only Latin American country that has Soviet arms. I believe that is no crime. There are many nonaligned countries, such as India, that have Soviet arms. The important thing is to work for peace. Once we achieve peace and security, by working for peace, arms will not be so necessary.

It has been a pleasure.

**Solis Palma Meets With Castro in Caracas 2 Feb**  
*PA0302172889 Panama City Domestic Service*  
*in Spanish 1200 GMT 3 Feb 89*

[Report by Danilo Caballero in Caracas]

[Text] Greetings to our friends listening to Radio Nacional of Panama. This is Danilo Caballero reporting from Caracas, Venezuela, on the highlights of President Manuel Solis Palma's visit to this country.

President Solis Palma had an especially hectic schedule today in Caracas. Aside from attending Dr Carlos Andres Perez' presidential inauguration, Solis Palma fulfilled several other official obligations.

One event we would like to note was the visit paid to Solis Palma by Dr Fidel Castro, president of the Council of Ministers of Cuba. Castro visited President Solis Palma in his suite at the Caracas Hilton Hotel during the afternoon of 2 February. A few minutes before, Castro had also paid a visit to Joaquin Balaguer, president of the Dominican Republic. A swarm of foreign correspondents gathered at the door to Solis Palma's suite when they heard about the meeting, as there was great expectation about the topics the two leaders would discuss during their meeting.

Solis Palma and Castro discussed various topics during their cordial and friendly meeting, which lasted for several minutes. They then left Solis Palma's suite together. When Solis Palma returned, he told Radio Nacional that he and Castro discussed topics of mutual interest to both countries. They discussed the situation in Latin America and the Caribbean. Cuban President



Fidel Castro expressed his support for Latin America's efforts at integration, which are promoted by Solis Palma, Carlos Andres Perez, and Ecuadoran President Borja.

**Balaguer Holds 'Important' Meeting With Castro**  
*FL0302172689 Santo Domingo Tele-Radio Noticias  
Television and Radio Network in Spanish 0929 GMT  
3 Feb 89*

[Report by Felix Reina, special Rahintel Press Center correspondent, from Caracas, Venezuela—live]

[Text] The president of the Dominican Republic, Dr Joaquin Balaguer, has held an important meeting with Cuban President Fidel Castro. This information was given to Rahintel Press Center journalists from a

PRENSA LATINA [PRELA] representative in Cuba who is in Caracas to cover Castro's attendance of the inauguration of Venezuelan President Carlos Andres Perez.

The Cuban journalist said Castro met Balaguer in his room at the Caracas Hilton Hotel. The Dominican president's meeting with Castro took place on Thursday prior to Balaguer's departure.

The PRELA journalist also said that no one knows what was discussed by the two leaders but it appears that the meeting was very important.

While we were trying to confirm this information given by PRELA to the Rahintel Press Center, Dominican President Balaguer was boarding the limousine that would take him to the international airport to depart Caracas, Venezuela.